



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>



Interstate Commerce Commission

SEVENTH ANNUAL CONVENTION

OF

RAILROAD COMMISSIONERS

MAY, 1895

S
45
852.1
N

VARD
W
CARY

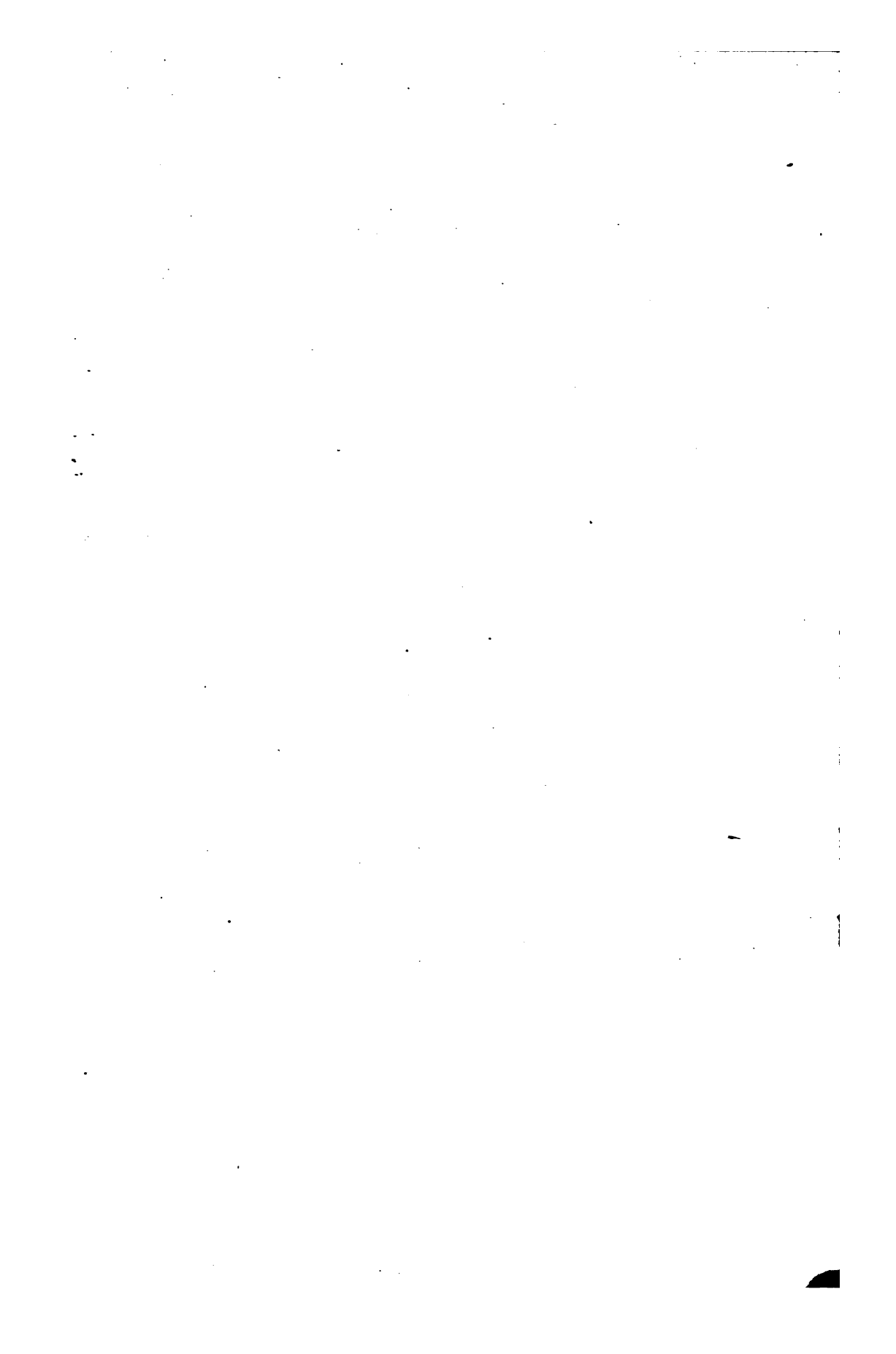


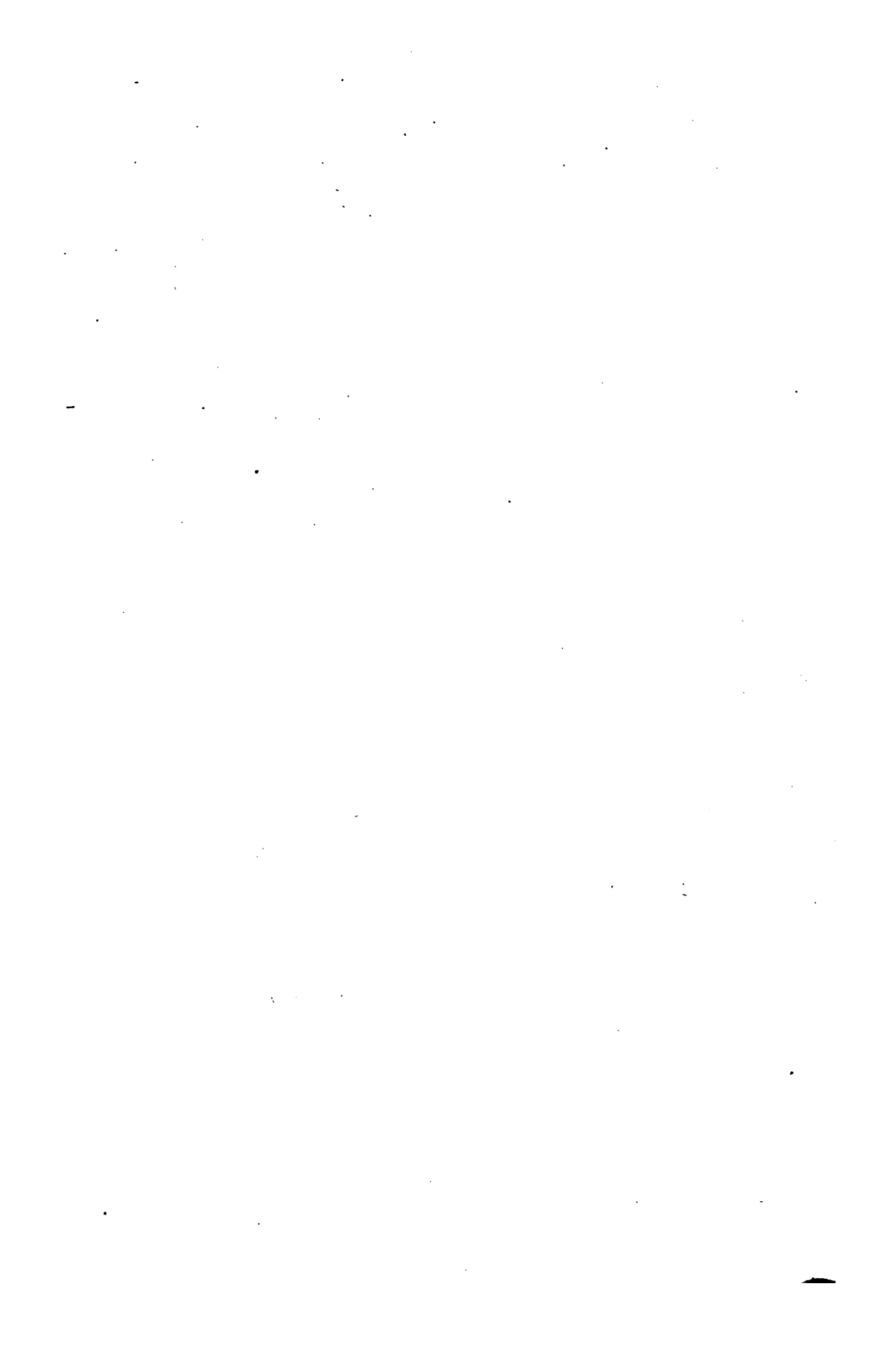
HARVARD LAW LIBRARY

GIFT OF

*National Association of
Railway Commissioners*

Received AUG 22 1925





PROCEEDINGS
OF
A NATIONAL CONVENTION
OF
RAILROAD COMMISSIONERS

HELD AT THE OFFICE OF THE
INTERSTATE COMMERCE COMMISSION,

WASHINGTON, D. C., MAY 14 AND 15, 1895.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1895.

5
65
1

AUG 27 1925

ORGANIZATION OF CONVENTION.

ALLEN FORT, *Chairman.*
A. K. TEISBERG, *Vice-Chairman.*
EDWARD A. MOSELEY, *Secretary.*
MARTIN S. DECKER, *Assistant Secretary.*

COMMITTEE ON ORGANIZATION AND PROGRAMME.

I. B. BROWN, of Pennsylvania.	J. W. YANTIS, of Illinois.
J. W. LUKE, of Iowa,	JAMES W. REA, of California.

COMMITTEE ON RAILWAY STATISTICS.

HENRY C. ADAMS, statistician of the Interstate Commerce Commission.	WILLIAM KIRKBY, of Ohio.
A. K. TEISBERG, of Minnesota.	WILLIAM O. SEYMOUR, of Connect- icut.
ALLEN FORT, of Georgia.	

COMMITTEE ON UNIFORM CLASSIFICATION.

IRA B. MILLS, of Minnesota.	WILLIAM KIRKBY, of Ohio.
JOSIAH C. BELLOW, of New Hamp- shire.	SIMEON R. BILLINGS, of Michigan.
D'ARCY P. DUNCAN, of South Carolina.	HENRY D. BULKLEY, of Maryland.

COMMITTEE ON LEGISLATION.

ALLEN FORT, of Georgia.	B. B. STEVENS, of North Dakota.
WALTER McLAURIN, of Mississippi.	SIMEON R. BILLINGS, of Michigan.
J. H. PADDOCK, of Illinois.	

COMMITTEES TO REPORT TO THE NEXT CONVENTION.

Committee on Railway Statistics.

HENRY C. ADAMS, statistician of the Interstate Commerce Commission.	WILLIAM KIRKBY, of Ohio.
A. K. TEISBERG, of Minnesota.	WILLIAM O. SEYMOUR, of Connecti- cut.
ALLEN FORT, of Georgia.	

Committee on Uniform Classification.

IRA B. MILLS, of Minnesota.	SIMEON R. BILLINGS, of Michigan.
JOSIAH C. BELLOW, of New Hamp- shire.	HENRY D. BULKLEY, of Maryland.
D'ARCY P. DUNCAN, of South Carolina.	G. G. JORDAN, of Georgia.
WILLIAM KIRKBY, of Ohio.	W. W. AINSWORTH, of Iowa.

Committee on Legislation.

L. N. TRAMMELL, of Georgia.	C. L. DAVIDSON, of Iowa.
H. R. SHORTER, of Alabama.	JAMES C. HILL, of Virginia.
J. C. WILBORN, of South Carolina.	

CONVENTION OF RAILROAD COMMISSIONERS.

Committee on Protection of Public Interests during Railway Labor Contests.

EDWARD A. MOSELEY, of the Inter- state Commerce Commission.	WALTER McLAURIN, of Mississippi.
H. W. HICKMAN, of Missouri.	J. E. PHELAN, of North Dakota.
	D. J. MCKENZIE, of Wisconsin.

Committee on the Regulation of State and Interstate Electric Railways.

ISAAC B. BROWN, of Pennsylvania.	J. W. YANTIS, of Illinois.
WILLIAM KIRKBY, of Ohio.	JOSEPH FLORY, of Missouri.
HENRY M. PUTNEY, of New Hamp- shire.	

*Committee on Powers, Duties, and Actual Work Accomplished by the several State Rail-
road Commissions during the Year.*

WILLIAM O. SEYMOUR, of Connecticut.	L. L. FOSTER, of Texas.
E. C. BEDDINGFIELD, of North Caro- lina.	JOHN E. SANFORD, of Massachusetts.
	WILLIAM KIRKBY, of Ohio.

Committee on Government Control and Government Regulation of Railways.

A. K. TEISBERG, of Minnesota.	J. C. ALLEN, of Nebraska.
ISAAC B. BROWN, of Pennsylvania.	OLIN MERRILL, of Vermont.
S. O. WILSON, of North Carolina.	

Committee on Safety Appliances.

E. L. FREEMAN, of Rhode Island.	WILLIAM S. CANTRELL, of Illinois.
ALFRED C. CHAPIN, of New York.	H. M. LA RUE, of California.
GEORGE M. WOODRUFF, of Connecti- cut.	

Committee on Pooling of Freights and Division of Earnings.

JOHN H. REGAN, of Texas.	J. W. WILSON, of North Carolina.
C. F. LAPE, of Illinois.	W. M. LIGGETT, of Minnesota.
JOHN E. SANFORD, of Massachusetts.	

Committee on Organization and Programme for next Convention.

GEORGE M. WOODRUFF, of Connec- ticut.	G. G. JORDAN, of Georgia.
IRA B. MILLS, of Minnesota.	E. C. BEDDINGFIELD, of North Caro- lina.
EDWARD A. MOSELEY, of the Inter- state Commerce Commission.	

Officers of the Association for the ensuing Year.

SIMEON R. BILLINGS, of Michigan, chairman.	EDWARD A. MOSELEY, of the Inter- state Commerce Commission, secretary.
JOHN W. CURRIE, of North Dakota, vice-chairman.	MARTIN S. DECKER, assistant secre- tary.

MEMBERS OF THE CONVENTION AND MEMBERS IN ATTENDANCE BY INVITATION.

Interstate Commerce Commission.

WHEELOCK G. VEAZEY, MARTIN A. KNAPP, JUDSON C. CLEMENTS, JAMES D. YEOMANS, <i>Commissioners.</i>	EDWARD A. MOSELEY, <i>Secretary.</i> HENRY C. ADAMS, <i>Statistician.</i>
--	--

*State Railroad Commissioners.***ALABAMA:**

H. R. SHORTER,
ROSS C. SMITH,
Commissioners.

CONNECTICUT:

GEORGE M. WOODRUFF,
WILLIAM O. SEYMOUR,
Commissioners.

GEORGIA:

L. N. TRAMMELL,
ALLEN FORT,
G. G. JORDAN,
Commissioners.
A. C. BRISCOE, *Secretary.*

ILLINOIS:

J. W. YANTIS, *Secretary.*

IOWA:

C. L. DAVIDSON, *Commissioner.*
W. W. AINSWORTH, *Secretary.*

MARYLAND:

H. D. BULKLEY,
(For the Governor.)

MICHIGAN:

S. R. BILLINGS, *Commissioner.*

MINNESOTA:

IRA B. MILLS, *Commissioner.*
A. K. TEISBERG, *Secretary.*

MISSOURI:

H. W. HICKMAN,
JOSEPH FLORY,
Commissioners.

NORTH CAROLINA:

E. C. BEDDINGFIELD,
S. O. WILSON,
Commissioners.

NORTH DAKOTA:

JOHN W. CURRIE,
GEORGE H. KEYES,
JOHN J. WAMBERG,
Commissioners.
J. E. PHELAN, *Secretary.*

OHIO:

WILLIAM KIRKBY, *Commissioner.*
W. B. GAITREE, *Chief Clerk.*

PENNSYLVANIA:

I. B. BROWN,
Secretary of Internal Affairs.

SOUTH CAROLINA:

J. C. WILBORN, *Commissioner.*

VIRGINIA:

J. C. HILL, *Commissioner.*

WEST VIRGINIA:

A. B. FLEMING,
(For the Governor.)

WISCONSIN:

D. J. MCKENZIE, *Commissioner.*

Association of American Railway Accounting Officers.

D. A. WATERMAN.
C. I. STURGIS.
H. M. KOCHERSPERGER.

M. REIBENACK.
ERASTUS YOUNG.

Representatives of the Press.

JAMES PEABODY,
Railway Review, Chicago, Ill.
ROBERT M. COLLINS,
Associated Press, Washington, D. C.

JULIUS A. TRUESDELL,
Evening Star, Washington, D. C.

PROCEEDINGS OF THE CONVENTION.

WASHINGTON, D. C., *May 14, 1895—11 a. m.*

The convention was called to order by Hon. ALLEN FORT, of Georgia, Chairman; selected by last convention.

Mr. FORT. The secretary of the convention will please read the call for the convention and also the list of delegates.

The secretary read the call as follows:

CALL FOR NATIONAL CONVENTION OF RAILROAD COMMISSIONERS.

At the sixth annual convention of railroad commissioners, held in Washington, D. C., on the 8th and 9th days of May, 1894, it was decided by resolution that the next convention be held in the city of Washington, D. C., on the second Tuesday in May, 1895, and the undersigned were directed to issue the call.

Under the resolution and authority above referred to, the seventh annual convention of railroad commissioners is hereby called at the office of the Interstate Commerce Commission, No. 1317 F street, Sun Building, in the city of Washington, on the 14th day of May, 1895, at 11 o'clock in the forenoon of that day.

The railroad commissioners of all States and State officers charged with any duty in the supervision of railroads are respectfully requested to attend and participate in the discussion of such topics as may come before the convention. The association of American railway accounting officers is also invited to attend, or send delegates to the convention, and join in the consideration of such questions of special interest to their association as may arise.

At the last convention committees were appointed on the following subjects and directed to report to the next convention: (I) Railway statistics. (II) Uniform classification of freights. (III) Legislation.

The following resolution was adopted at the last meeting: "That a committee of five be appointed to select officers for and subjects to be presented at the next annual convention of this association, to solicit papers upon the same, either from members of the association or from those not connected with the organization, and to prepare, as far as possible, a programme of proceedings;" and the following committee on organization and programme for the next convention was named: I. B. Brown, of Pennsylvania; J. W. Luke, of Iowa; J. W. Yantis, of Illinois; James W. Rea, of California; Edward A. Moseley, of the Interstate Commerce Commission.

Members of former conventions are entitled to participate in the discussion of subjects at the coming meeting. The various State commissions should be represented by full boards, as far as possible, and to that end all railroad commissioners are earnestly requested to attend the coming meeting. It has been suggested that a session of three days would be advisable in view of the important topics which are likely to come before the convention for consideration.

ALLEN FORT, of Georgia,
Chairman.

EDWARD A. MOSELEY,
Secretary.

The secretary then called the roll, and the following answered to their names:

INTERSTATE COMMERCE COMMISSION.

Wheelock G. Veazey, Martin A. Knapp, Judson C. Clements, J. D. Yeomans, Commissioners.

STATE RAILROAD COMMISSIONERS.

- Alabama.*—H. R. Shorter, Ross C. Smith.
Connecticut.—G. M. Woodruff, William O. Seymour.
Georgia.—L. N. Trammel, Allen Fort, G. G. Jordan; A. C. Briscoe, secretary.
Illinois.—J. W. Yantis, secretary.
Iowa.—C. L. Davidson; W. W. Ainsworth, secretary.
Maryland.—H. D. Bulkley, for governor.
Michigan.—S. R. Billings.
Minnesota.—Ira B. Mills; A. K. Teisberg, secretary.
Missouri.—H. W. Hickman, Joseph Flory.
North Carolina.—E. C. Beddingfield, S. O. Wilson.
North Dakota.—John W. Currie, George H. Keyes, John J. Wamberg; J. E. Phelan, secretary.
Ohio.—William Kirkby; W. B. Gaitree, chief clerk.
Pennsylvania.—I. B. Brown, secretary of internal affairs.
South Carolina.—J. C. Wilborn.
Virginia.—J. C. Hill.
West Virginia.—A. B. Fleming, for governor.
Wisconsin.—D. J. McKenzie.
Association of American Railway Accounting Officers.—D. A. Waterman, C. I. Sturgis, H. M. Kochersperger, M. Reibenack, Erastus Young. Mr. James Peabody, of the Railway Review, was also present.

Mr. FORT (chairman).

Gentlemen of the convention, it is not my purpose, because I have not deemed it appropriate on this occasion, to make any extended remarks, but I simply wish to call your attention to the importance of this annual conference, and to emphasize if I can, briefly, its uses and its benefits in the hope that each year will bring together more representatives than its predecessor. Those of us who have attended heretofore can fully realize how much good has resulted from the discussions of those charged with the regulation of the transportation of the country. There is, perhaps, no way in which we could secure so great an amount of valuable information.

The great question of railway regulation is yet in its infancy. It has not been many years since the right itself was denied. The misapprehension on the part of the public, and the still greater misapprehension on the part of railway managers, has long delayed the development of this great science. We have here to-day representatives of the States and of the nation charged with a duty second in responsibility to none in the Government. The problem of railway legislation has not yet been solved. Many forms have been adopted by the States and by other nations—many theories advanced, but the result of all is that the regulation which secures exact justice to the public and at the same time gives even and exact justice to the railroads has not yet been discovered.

Popular errors growing out of our peculiar form of Government, and of the more peculiar form of railway regulation, and of this question itself in the inception of its development, have very often misled many honest men in their effort to solve the problem. It should be borne in mind that the question of railway regulation is a question *sui generis*. There are no general analogies by which we may be safely guided. There are general principles to be sure, which will aid and assist us, but we have to develop this question as one standing alone and apart.

The growth of the railways, the intimate associations that they have with commerce, the vast importance to the States and to the nation, should impress us with an earnest desire to confer freely together in this convention for the purpose and with the object of perfecting, as nearly as may be, some just system. If we fail, if we surrender, if we falter, the day may not be distant when we shall have a much more difficult problem to solve. I am one of those who believe that railway regulation is practicable, that it can be made efficient, that it can be made to regulate. I do not discount its troubles.

While we represent a tribunal that determines in a *quasi* judicial way many important controversies, we are without a sheriff and our friends of the Interstate Board are without a marshal. We have that great disadvantage of the courts, and yet we would be in a much worse condition if we had their marshal or sheriff, because then we would be more a court, and not become a tribunal adapted to these special purposes. How are you to secure justice, how are you to get the loan of a sheriff and a marshal when they are needed with readiness, is one of the great problems yet to be solved. I concede of course, with the greatest respect, that it must be the observation of all that nearly all our appeals to the courts have not met with that kind of assistance which we had reason to hope or expect.

The conservatism of the courts, if you please, has been an obstruction to efficient and prompt railway regulation. Let us hope that it will not always be so, but that there will be that harmony between these tribunals and the courts and the railroads that will remove the difficulty, that will secure even and exact justice to the public, and at the same time and under any and all circumstances even and exact justice to the railroads.

But you will pardon me; I did not intend to consume so much of your valuable time. I only set out to beg of you that you will speak freely on those questions that come before us, and promote by your presence and your interests the future conventions that are to be held. The convention is now ready for business. The report of the committee on programme and order of business is in order.

REPORT OF COMMITTEE ON PROGRAMME AND ORDER OF BUSINESS.

Mr. BROWN. Mr. Chairman, on April 26, 1895, as chairman of the committee, I addressed a circular as follows:

DEPARTMENT OF INTERNAL AFFAIRS,
Harrisburg, Pa., April 26, 1895.

At the sixth annual convention of railway commissioners, held in Washington, D. C., last May, committees were appointed to report on the following subjects:

1. Railway statistics.
2. Uniform classification of freights.
3. Legislation.

The convention also adopted the following resolution:

"That a committee of five be appointed to select officers for and subject to be presented at the next annual convention of this association, to solicit papers upon the same, either from members of the association or from those not connected with the organization, and to prepare, so far as possible, a programme of proceedings."

Pursuant to the foregoing resolution, the following-named persons were appointed as committee: Isaac B. Brown, of Pennsylvania; J. W. Luke, of Iowa; J. W. Yantis, of Illinois; James W. Rea, of California, and Edward A. Moseley, of the District of Columbia.

As chairman of this committee I have found it difficult to arrange a meeting of the members, owing to the fact that they are so widely separated from one another.

I have thought it advisable to suggest the following as additional subjects for consideration at the national convention to be held in Washington on the 14th proximo,

and it is desired that the members of the convention consider the subjects carefully and be prepared to take part in any discussion that may be had thereon; or, what is more desirable, prepare and read short papers. In suggesting these subjects, I am not to be understood as pressing any of them for consideration, but they all seem to be proper subjects for the consideration not only of the Interstate Commerce Commissioners, but by the officers of the several States of the Union who have supervision over railway interests in their respective States.

The subjects are as follows:

1. Overcharges and undercharges.
2. Through routes and through rates. Combination rates on interstate traffic made by adding through interstate rates to rates prescribed by State authority for purely State traffic. Methods employed in making through rates generally.
3. Government ownership, Government control, and Government regulation of railways.
4. Demurrage on railway cars, and carriers' liability for detention of freight.
5. Safety appliances and railway accidents.
6. Causes of depressed financial condition of railways.
7. Protection of public interests during railway-labor contests.
8. Evils caused by sudden and arbitrary changes in railway rates.
9. Regulation of State and interstate electric railways.
10. Abuses arising from use of shippers' cars.

Respectfully submitted.

ISAAC B. BROWN,
Chairman.

The committee appointed at the convention one year ago for the present convention respectfully suggest the following order of business: Report of the committee on railway statistics; report of committee on uniform classification of freights; report of committee on legislation. These three subjects were suggested at the last convention for the consideration of the present convention, and committees appointed to make reports. In addition to these subjects your committee respectfully suggest the following additional subjects for the consideration of the convention:

The subjects are as follows: (1) Overcharges and undercharges. (2) Through routes and through rates. Combination rates on interstate traffic made by adding through interstate rates to rates prescribed by State authority for purely State traffic. Methods employed in making through rates generally. (3) Government ownership, Government control, and Government regulation of railways. (4) Demurrage on railway cars and carriers' liability for detention of freight. (5) Safety appliances and railway accidents. (6) Causes of depressed financial condition of railways. (7) Protection of public interests during railway-labor contests. (8) Evils caused by sudden and arbitrary changes in railway rates. (9) Regulation of State and interstate electric railways. (10) Abuses arising from use of shippers' cars. (11) Interchangeable mileage books.

Mr. Fort, of Georgia, will address the convention on the sixth subject so suggested, "Causes of depressed financial condition of railways." Mr. Peabody, of the Railway Review, will address the convention on the subject, "Protection of public interests during railway labor contests." Mr. Woodruff, of Connecticut, will address the convention on the ninth subject suggested, "Regulation of State and interstate electric railways." The committee have secured the consent of Mr. Knapp, of the Interstate Commerce Commission, to address the convention to-morrow at such time as the convention may desire, he to choose any subject relating to railway supervision or railway interests.

I beg to say, Mr. Chairman, that the above circular letter was sent to the commissioners of each State of the Union and to others. They were invited to prepare papers on the subjects if they saw fit and had time to do so. So far we have only heard from the three gentlemen whose

names I have given who have prepared papers. There may be others, and it is to be hoped there are. I hope that all will have looked into these subjects and will take part in the discussion, if any may be had. Your committee do not suggest that all these subjects be considered by the convention, but only present them with the view that their discussion may add to the interest of the convention.

The CHAIRMAN. Is there anything to be said on the report?

Mr. WOODRUFF. I move that the report be accepted and the recommendations adopted.

The motion was agreed to.

The CHAIRMAN. The first business in order under the order just adopted is the report of the committee of railway statistics, Mr. Adams, chairman.

Mr. ADAMS. Mr. Chairman, I know of no reason why this committee should come first on the programme, except that in the experience of past conventions it has always had something to say and is never satisfied. The principal questions referred to this committee pertaining to recommendations contained in the report of this committee to the last convention are found on pages 52, 53, 54, 55, and 56 of the proceedings of the last annual convention.

By referring to this report it will be observed that it covers two separate and quite distinct questions. The first pertains to the classification of freight earnings; the second to the separation of statistics of operation according to State lines. It was thought wise by the committee, Mr. Chairman, to separate these questions, and a report upon the latter of these has been prepared by Mr. Teisberg, of Minnesota. His report as prepared was unanimously adopted by the committee. In addition to these two questions, by a resolution presented by Mr. Archer, of Ohio, a third question was submitted, namely, the question of uniform compilation of the reports filed by the carriers with the various State commissions, and upon that I believe Mr. Kirkby, of Ohio, has prepared a statement. The first question referred to, namely, the classification of freight revenue on the basis of some form of freight classification, was referred to me, and, acting upon the advice of the committee, I submit the following report:

REPORT OF THE COMMITTEE ON RAILWAY STATISTICS, RELATIVE TO THE CLASSIFICATION OF FREIGHT REVENUE, AS PRESENTED ON PAGES 52 AND 54 OF THE MINUTES OF THE SIXTH ANNUAL CONVENTION OF RAILROAD COMMISSIONERS.

Your committee understood at the time of its appointment that it was to consider what line of statistics would be of greatest use to those commissions imposed by law with the duty of judging as to the fairness and reasonableness of rates. Their study of this question has impressed upon them this fact, that the only unit of traffic movement now arrived at is the revenue per ton per mile, a unit which results from a compilation including returns for all classes of freight, and for all rates of all classes. Such a unit does not appear to your committee satisfactory. The method by which it is arrived at contradicts the first principle of statistical science, namely, that a rational classification of facts must precede their compilation. After a careful consideration of the situation, your committee decided that it would be wise to undertake a classification of freight movement and freight revenue, so that a compilation of the facts reported by the carriers would disclose not simply the revenue per ton per mile of all freight carried, but the revenue per ton per mile for each kind of freight, and the resolution submitted last year for this purpose proposed that this convention should approve such a plan.

For reasons stated in the minutes of the last convention, this report was recommended to the committee and a second report asked for. After a year's further consideration of the subject, your committee sees no reason to recede from the opinion

previously expressed, that such a classification of freight revenue as has been described would be highly useful, and for the following reasons:

First. It would assist commissions to deal justly with the carriers in that they could judge more perfectly than they are now capable of judging of the effect upon the gross revenue of any change in a particular rate.

Second. It would assist commissions in judging of the relative fairness of different rates upon different classes of commodities.

Third. It would assist commissions in judging of the reasonableness of rates from the public point of view; that is to say, of railway rates and railway facilities regarded as a basis upon which all business must be carried on, and to which all business must conform.

Fourth. It would be of assistance to commissions, provided it were followed by a proper supervision of accounts, in detecting rebates and discriminations.

For these reasons, and for others that might be named, your committee desires to reaffirm its confidence in the importance of a classification of freight earnings on the basis of some form of freight classification.

Inasmuch, however, as the step proposed is regarded as expensive (the annual cost, according to the previous report of your committee, having been estimated at \$1,000,000¹), and in view of the depressed condition of railway finances, your committee does not regard it as wise that this increased expense be placed upon the railways of the country at the present time. Their recommendation is that this matter lie on the table until taken up by the programme committee of some future convention.

The CHAIRMAN. You have heard the first part of the report of the committee on railway statistics. What is your pleasure?

On motion, the report was adopted.

Mr. ADAMS. Mr. Teisberg will present the second question.

Mr. Teisberg read the second part of the report of the committee on railway statistics, which is as follows:

PART II OF THE REPORT OF THE COMMITTEE ON RAILWAY STATISTICS.

The second subject referred to the consideration of the committee on railway statistics was the feasibility of securing a classification of earnings and operating expenses by State lines.

Your committee is of the opinion that the object of this inquiry is to point out a feasible and uniform method to be followed by the railroad companies in making answers to the questions on pages (or parts of pages) 29, 35, 45 (bottom), and 61 of the blank for annual reports to the State commissioners, as adopted by this convention some years ago and now in use in most, if not all, of the States having railroad commissioners.

The blank on the pages referred to requires statements of cost of construction and equipment, gross earnings from operation, operating expenses and statistics of freight and passenger business, train mileage, etc., all by State lines. Such statistics, in order to be useful for comparison as between States, should of course be made on a uniform basis, and your committee have, after a conference with the executive committee of the association of American railway accountants, endeavored to formulate a plan for such purpose, which is embodied in the resolutions at end of this report.

As stated in our report last year to this convention, railroad statistics by State lines are necessarily to a great extent approximations, and should therefore be treated as such.

To ascertain for statistical purposes the cost and capitalization of railroads by State lines the mileage basis seems to be the only feasible one, but it may and does often happen that the short mileage and expensive terminals are in one State, while the long mileage and low cost is in another State. In such cases an assignment of cost as between States on a mileage basis would be only an approximation, which, for instance, might not perhaps properly be used for purposes of taxation.

Gross earnings can, perhaps, be ascertained by State lines more accurately than cost of road or operating expenses by a computation crediting to each State all operating earnings on all business originating, terminating, and being carried entirely within a single State and its mileage proportion of interstate business. This method of keeping accounts of gross earnings by States is required by some States for purposes of taxation as well as for railroad statistics. Earnings from stock yards, elevators, and the like should be credited to the State where the property is located.

For obvious reasons the assignment by State lines of operating expenses can not be so accurately made, but it is believed that a more equitable plan than a division

¹ Railway accountants regard this estimate as too low.

on road mileage basis can be found. A moment's consideration of the differences in density of population and traffic in the various States will convince anyone that a division of expenses by miles of road is not proper and equitable.

While certain expenses, such as maintenance of way and structures, can be localized, it is questionable if they should be in view of the fact that the roadbed and structures are used as much, or more, for interstate as for strictly State business and traffic. It would rather appear to your committee that all operating expenses would be most equitably divided as between States on a basis of train mileage. Most, if indeed not all, railroads keep a record of train mileage by divisions, and the extra expense of giving this information by States would, in the opinion of the committee, be small.

Your committee is aware of the fact that in many of our States the specific information mentioned herein as to cost, earnings, and expenses of the railroads is not required either by statute law or by the commissioners, and we think it proper to say in this connection that the committee does not intend that its recommendations should be adopted by such States. But in States where the law requires this information it is for the best interests of the railroads, as well as the commissioners and the public, that the statistics furnished should be as full and accurate as the circumstances and conditions warrant and permit.

As a brief expression of the best judgment of your committee on this matter we beg leave to present the following resolutions for your consideration:

(1) *Resolved*, That in making their reports to State railroad commissioners the railroad companies shall apportion to each State, on a mileage basis, its proportion of cost of road and equipment, its proportion of stock, funded and other debt, and its proportion of fixed charges.

(2) *Resolved*, That the apportionment of operating earnings to each State shall be on the following basis, viz: Each State shall be credited with all the earnings derived from business originating, terminating, and being carried entirely within such State, and its mileage proportion of all interstate business.

(3) The earnings and income from other sources than transportation of such railroad companies shall be credited to each State on a road mileage basis.

(4) The operating expenses shall be charged to each State on the basis of train mileage in such State.

(5) The reports on above basis shall be made the first time in the reports for the year ending June 30, 1896.

HENRY C. ADAMS,
A. K. TEISBERG,
ALLEN FORT,
WILLIAM KIRKBY,
WILLIAM O. SEYMOUR,
Committee.

The CHAIRMAN. You have heard the resolution offered, gentlemen of the convention. Is there anything to be said?

Mr. WOODRUFF. Mr. Chairman, I would simply like to ask of the committee whether they would not be willing to add to their last resolution that it shall apply only "in those States so requiring." In other words, incorporate in the resolution the suggestion with which it is preceded. Is there any objection?

Mr. TEISBERG. I have no objection to incorporating that in the resolution.

Mr. WOODRUFF. I will put it in writing if you will let me look at the resolution. I will not interrupt the discussion in the meantime.

Mr. TEISBERG. The fifth resolution as amended reads as follows:

"The reports on above basis, in those States so requiring, shall be made the first time in the reports for the year ending June 30, 1896."

The CHAIRMAN. Discussion on those resolutions is now in order.

Mr. BROWN. Mr. Chairman, I beg to suggest the reading of those resolutions, if it will not take too much time of the convention.

Mr. Teisberg again read the resolutions as amended, which are as follows:

(1) *Resolved*, That in making their reports to State railroad commissioners the railroad companies shall apportion to each State, on a mileage basis, its proportion of cost of road and equipment, its proportion of stock, funded and other debt, and its proportion of fixed charges.

(2) *Resolved*, That the apportionment of operating earnings to each State shall be on the following basis, viz: Each State shall be credited with all the earnings derived from business originating, terminating, and being carried entirely within such State, and its mileage proportion of all interstate business.

(3) The earnings and income from other sources than transportation of such railroad companies shall be credited to each State on a road mileage basis.

(4) The operating expenses shall be charged to each State on the basis of train mileage in such State.

(5) The reports on above basis, in those States so requiring, shall be made the first time in the reports for the year ending June 30, 1896.

Mr. BROWN. Mr. Chairman, I want to be familiar with this subject and the difficulties with which railroads have to contend in making reports, especially in reference to assigning expenses to traffic in one State and in another. I know that in Pennsylvania some of our railway companies say it is almost impossible to make a proper assignment of expenses. Now, whether it can be done or not is not clear to me, and I only make the suggestion at this time that we should go pretty slow in making changes in the form of our report. I think we made some last year, and unless it is a necessity I can not say that I am very enthusiastically in favor of any change, but if someone here can give us any information as to the difficulties which railway companies may have in complying with the resolutions or furnishing what is called for by them I would certainly be glad to hear from him. I am not sufficiently well posted to vote upon it in its present condition. I know we have difficulties in Pennsylvania in getting reports of railways whose lines are in two or more States and in having them make a proper assignment of their expenses. If it can not be successfully done there is no use making an effort to have it done.

Mr. TEISBERG. This report does not contemplate any change in the blank as printed and used by the Interstate Commerce Commission and the various States. It simply contemplates a uniform system of making replies to certain questions that several of the States require to be answered by State lines. The first resolution contemplates the assignment of the capitalization of the road to each State. Of course such an assignment would be a mere approximation. One part of a road which includes the expensive terminals would, of course, be more expensive than a portion running out through a level country, where the cost is comparatively small. I do not know whether it is of any particular benefit to have it.

In some of our States the law requires that we should have the railroad capitalization by State lines. I do not believe that it would be exactly fair to assess the value of the railroad or ascertain the actual value of it in the State, because its value in the State depends upon the value of the whole property extending through several States. We have to take the property as a whole, and if we do, I do not see any other way of assigning it by States than on a road mileage basis, and it is certainly not burdensome. It is the easiest method of assigning the cost or the capitalization of the roads that I can imagine. In some of our Western States railroads are taxed on gross earnings and not on the ordinary plan of valuation or assessment. In those States, of course, the railroads are required not only by the railroad commission law, but by the general tax law, to keep an account of their earnings by State lines; and the practice suggested here is the practice that has been in vogue for a great many years, crediting to each State the local earnings and the mileage proportion on the earnings on through business. That is a matter required not only by the railroad commission law, but by the tax law, so, of course, that can not be changed except by the legislature; in some instances it would require a constitutional amendment to change it.

The only difficult question is how to ascertain or find a fair basis of ascertaining the cost of operation by State lines. I admit that I am unable to suggest any method that would be absolutely adequate, but I contend that to divide the total operating expenses by the total miles of road and then charge each State with its road mileage basis is not fair, for the reason that the traffic in consequence of the operating expenses in one State may be vastly greater or less than in the neighboring State. The basis suggested here is the basis of train mileage. While we may not be absolutely correct, it is still an approximation which is perhaps as close as we can get it. The cost of operating a train in one State is nearer the cost of operating a train in another State, but I admit that it is to a certain extent, and to a great extent, an approximation.

It is, however, the nearest that your committee has been able to suggest—the division of operating expenses by train mileage. I fear the custom has been in our State for the companies to report operating expenses by miles of roads in our State, which is in some cases unfair to other States and in other cases unfair to our State, while on a train mileage basis it would come as near the true facts as your committee were able to suggest. Now, there are a great many States where not any item touched upon in this report is required, and for that reason we expressly excepted the companies operating in such States from making this kind of a report. It is intended to apply only in States where the law requires such reports to be made. The laws of Pennsylvania and Maryland do not require it, and of course the companies operating in those States will not have to make this kind of report, but in States where they are required to make those reports we thought it advisable to have them made on the same plan for all.

The CHAIRMAN. Is there anything else to be said on the question?

Mr. WOODRUFF. The laws of some of the States do not require any such reporting. I think that if the gentlemen representing the States that do so require it think that this is an improvement, why we would be willing to vote "yes," unless we can hear from the other side, that is, from the representatives of the railroads, some representation that would satisfy us that it was not advisable to make the requirement. We have not heard anything from that side; the railway accounting gentlemen are here, many of them, and we would be glad to know what they think about it, what they have to say, and if they will give us any light to vote intelligently we would be very glad to have it.

Mr. STURGIS. I think that the accounting officers in the States that require by law the division of earnings and expenses on the State lines will welcome this report. We dislike to make such division. It is an expense. We know it is an estimate, and we fear that it is often used as an actual result. Notwithstanding these facts there is great help in having this report go out, as it provides a definite basis and, in my judgment, the most feasible basis for dividing earnings and expenses on State lines. I think the great objection to the report lies in the question of dividing the capitalization. I do not believe it can be done with sufficient accuracy on any basis to warrant the apportionment. If a division must be made there are two prominent ways of making it—the one recommended in Mr. Teisberg's report, and the other to divide the capitalization between States on the basis of net earnings, after you have obtained the earnings and expenses, as set forth in the report. The latter plan would make the net earnings and the capitalization in all States bear a like proportion to each other, whereas on the plan suggested in Mr. Teisberg's report a road might show net earnings of 20

per cent on its capitalization in one State and a loss of 22 or 23 per cent in another State, whereas the road as a whole might have earned 3 or 4 per cent on its capitalization.

The CHAIRMAN. The secretary will read the report.

The secretary read as follows:

"Compilation of railroad statistics"—

Mr. WOODRUFF. May I interrupt? Should not the other part of the report be read first?

Mr. ADAMS. In order that there might not be any misunderstanding, I will say that the three questions referred to this committee were presented under three heads. The first one has been disposed of, and it seems to me that the second should be disposed of before the third is taken up.

Mr. SHORTER. I am inclined to believe that I am not prepared to vote on this resolution. I am not satisfied with my information on the subject. It appears to be a very important subject, and I rise to make the motion that the resolution be read again and that further consideration be postponed until to-morrow morning, when we may more fully consider it.

The CHAIRMAN. You have heard the motion of the gentleman from Alabama, that the resolution be read again and that further consideration of the matter be postponed until to-morrow morning.

Mr. WILSON. I suggest that further consideration of the matter be postponed until to-morrow morning, without the resolution being read again.

The CHAIRMAN. Does the gentleman from Alabama accept the amendment?

Mr. SHORTER. Yes, sir.

The motion was agreed to.

Mr. ADAMS. I think the committee is a little embarrassed about this third question, whether or not it is wise for this convention to formulate any rules for the compilation of the reports filed by carriers with the various States. Should there or should there not be uniform compilation by State commissions. My impression is that the committee is of the opinion that uniform compilation by States is not desirable. I speak of this at this time because the paper about to be read, if I am right, and I think the rest of the committee will support me, is in the nature of a minority report upon that point.

Mr. WOODRUFF. Is there any majority report?

Mr. ADAMS. The majority report is that it is not wise to impose any restrictions or rules upon the various State commissions in the compilation of figures and facts referred to them by the railroads in their annual reports, but that it is wise to have a uniform scheme of questions. On account of the great variety of conditions in various States, and the great variety of interests in various States, better results would be arrived at to allow each commission to use the facts as it sees fit.

The CHAIRMAN. It is in order to read the paper.

The secretary read as follows:

PART III.—COMPILATION OF RAILROAD STATISTICS.

The wide difference in the character exhibited in the railroad reports as submitted by the railroad commissions and commissioners of the United States will continue apparent so long as unity of action is delayed, or until its importance is recognized by the adoption of a blank form which more nearly meets the exigency of the case in every State.

Such forms or agreements entered into as will command the earnest and combined support of every railroad official, and others in capacities allied to railroad interests,

should be enlisted to clear away much of the debris that now lies moldering into decay in the archives of railroad offices, commissioners' offices, and divers other places where man knoweth not their secret abiding.

The statistical branch as applied to the history of transactions relating to cost, equipment, maintenance, operations, and all the kindred subjects noted by the corporate bodies forming railroad companies can be most intelligently grouped in the form of statistical tables.

It is not my aim to herewith outline and submit a plan to meet all the requirements that the necessity demands, nor do I urge that what I may say is all the gospel to be extracted from a subject that many of the brightest minds in the railroad world have labored for years to accomplish and systematize.

I desire rather to simply make a few observations touching upon my personal experience as an official called upon by statutory limitations and restrictions to perform such duties as pertain to the office which I have now the honor to represent.

Before I enter upon the subject of my experience I deem it best to make the statement that uniformity of legislation is lacking in the States, and therefore operates as a bar to a uniform class of reports.

Much missionary work, then, is necessary in weeding out objectionable laws from the statute books, or at least making such modifications as will harmonize and allow the roads an opportunity to erect a standard which will most benefit the general public.

Probably the Ohio law gives greater powers of discretionary privileges to the commissioner and is more equitable to the corporations than are the laws of many of the other States.

The duties of the commissioner and the corporate railroad companies are specially defined. The administration of the office of railroad commissioner since its organization in the spring of 1867 has been fully up to the needs expressed by the reports in conformity to the additional legislation incorporated in railroad enactments.

The first commissioner in Ohio and his successors, up to the time of the creation, by national law, of the Interstate Commerce Commission, practically carried out a uniform plan of making reports, and the similarity is so marked that the foundation for the acceptance of the present form of blank issued by the Interstate Commerce Commission has been the guide.

I have found that this form meets all the needs in Ohio, and believe that its general adoption would simplify methods, save time, labor, and expense to every commission in the Union, and be the means of reaching the acme of success in accounting the multifarious operations performed on the wonderful belts of steel in every section of this broad land.

The entire form then being considered as a unit, each State's report being a fractional part thereof, when joined, would form the compact whole. Hence it is necessary that the railroad companies should be required to distribute each State's share, not return the same copy to each State, as is submitted to the Interstate Commerce Commission.

But the question arises, How can this be done when railroad accounts are not tabulated by States?

That query can only be answered by stating that in the absence of State accounts, the percentage plan, based upon the operating mileage, is the only feasible one. It is true that, technically speaking, this is not absolute, but it is the nearest approach possible under the present form of railroad management and accounting, and until a different and more equitable form can be devised I hold it the safest. Here is a common level; shall we discard it because something better can not at this time be attained? Rather let us hold fast this much, as it brings us nearer an equality in our statements to the people whom we serve.

Upon the issuance of the first form of blanks for the making of reports by the Interstate Commerce Commission the commissioner in the Ohio office adopted the plan which has remained in vogue up to the present.

The form is so arranged as to exhibit all the necessary transactions relating to the conduct of management and the historical interest involved in the development of the corporation designed to be described.

The information is so varied that an innumerable array of statistical tables can be obtained by the grouping of the items as their importance dictates, or as fancy may suggest.

By a glance at the Ohio report it will be seen that twenty-seven tables have been collated from the form.

Only such items of general interest have been selected, partly suggested by the management of the roads to be of importance, the whole object being to present a concise tabulation.

A synopsis of the Ohio report, with an explanatory note concerning each table, is herewith submitted in one of the blank forms of the Interstate Commerce Commission, marginal notings, exhibiting what footings are embraced and form the

compilation of each table, with the appropriate designation of heading, is therein set forth. (Appendix A.)

I fully appreciate that my report, abridged though it be, can be amplified and be of greater force by further extending the number of tables. It is offered as an object lesson, with the hope that after it is fully investigated such additional means will be provided whereby it may become one of a series of which this discussion of the subject seeks now to determine and set at rest.

Those tables that treat of the bonded indebtedness, and what may be termed the personal history of the corporations, should be tabulated in full, without regard to State percentage.

It is impracticable to localize here, but the management of operations should be so localized.

I desire to explain the mileage tables, as it will be observed that I place much reliance here as a foundation in reaching conclusions for the compilations that have been submitted in the report.

Table A, or terminal report, contains the several footings of the mileage obtained from page 9 A of the form already mentioned as having been adopted.

This is the operating mileage, and is composed of the following items:

1. Railroad line represented by capital stock, which is subdivided; (A) main line, (B) branches and spurs.
2. Proprietary companies whose entire capital stock is owned.
3. Line operated under lease for a specified sum.
4. Line operated under contract, or where the rent is contingent upon earnings or other.
5. Line operated under trackage rights.

It will be noticed that second, third, and fourth track and yard and sidings are not embraced.

Each item of terminal character is enumerated, and a total for each corporation grouped; it is virtually a reproduction in a condensed form of page 9 A.

The following tables relating to mileage are obtained from page 69, and embrace the mileage of road operated, being all tracks.

The first of which, or Table A (a), exhibits a reduced form of Table A (c), noting the new line constructed during the year.

Table A (b), or the capital-stock table, differs in so far that the trackage rights are excluded; the reason will be apparent to the most casual observer. For the question being asked, "What do you consider the mileage of a State?" the answer must of necessity be, "That mileage which represents the mileage of capital stock." Here duplication of trackage ends, and only such mileage as the corporation owns can be taken into account.

Table Ac is a full statement under all forms of tracks operated, whether owned or under agreements.

The miles of road in Tables A, Aa, and Ac do agree, and Table Ab, with the trackage rights added, must also agree with the other three.

Of the 84 corporations in Ohio, 27 extend beyond its limits, hence the percentage plan will be more readily understood if applied to the table of gross earnings, of which there are two tables, F and G, Table F being passenger earnings and its complement freight earnings.

To distribute the State's portion of the gross earnings in these two tables it will be necessary then to find what proportion of each one of the twenty-seven roads lies within the State, and then determine the percentage it bears to the entire road. Each item composing the gross earnings, when multiplied by this rate of percentage, will approximately represent the State's portion.

Thus it will be seen that all the subjects which directly bear upon railroad interests can be localized to generally apply in all the States.

The States of Alabama, Connecticut, Georgia, Iowa, Kansas, Kentucky, Maine, Minnesota, Mississippi, Nebraska, North Carolina, North Dakota, Ohio, Oregon, South Carolina, South Dakota, Texas, Vermont, Virginia, and Wisconsin have adopted the form, or a similar one; they are practically the pioneers, and are the nucleus upon which to base a system which will be mutually beneficial and uniform to all.

I would recommend, therefore, that all States subscribe to this form, and that an agreement be entered into as to subjects to be localized, the number of tables with proper designated headings to be employed to exhibit the various railroad transactions.

The blank forms, when properly submitted as the sworn evidence of the railroads' operations for the year, should be, after the work of compilation is completed, neatly bound in volumes, by years, suitably labeled with a serial number accompanying general index prepared; then the legal record of the office is preserved.

Vexatious as this subject appears, we can attain success only by attempts to lessen the difficulties. If one ray of hope can be abstracted that advances to a desired end, from what I may have suggested in this paper, then I am amply compensated. On the other hand, if no fruit is borne, my efforts will always be to aid the solution.

WILLIAM KIRKBY, of Ohio.

The CHAIRMAN. The question is now in order for discussion.

Mr. TEISBERG. Professor Adams has already stated that the majority of the committee on railroad statistics by a vote agreed last night to report on this third question as not advisable—the uniform compilation of railroad statistics. A majority of the committee believed that it should be properly left to each individual State to compile these statistics submitted and to prominently bring forward those that would be especially applicable and of importance to the States that they represent.

A further proposition was made that in States where the corporations are so few in number that the returns of the railroad companies can be printed in full, it is very desirable that that should be done; while in States having such a large number of operating companies that it would be impracticable to print all the reports in full, it was the opinion of the committee that the facts contained in the reports should be tabulated and printed. As a matter of fact, we have those two conditions existing at the present time. There are some States having such a large number of operating companies that it is impracticable to print the reports and they tabulate all the answers and print the tables. The form would be very much larger in those States where they print the full returns themselves. In such States a few tables embracing capitalization, earnings, and expenses, and a few other items of that character will suffice, and I do not believe it is advisable, and the committees do not believe it is advisable, to lay down any rule that will govern the commissions in the compilation of tables. So, that is the report of the majority of the committee.

Mr. KIRKBY. The resolution contains some questions that are very difficult to solve. The first question before the committee is, Is the information that was sought worth the cost that it would take to procure it? The next question is, Why should these commissioners ask for a large amount of information that we do not use? There are a number of States that make no reports at all. There are a large number of States that can not use the information that they secure because the legislatures allow no appropriation for the work. The question coming in my mind is, why we should require a large lot of material for statistics that we are not using at the present time. Now, we find that in a large number of States, as I said, they are not using any statistical tables that are reported by the railroad companies at the present time. In other States they are used very freely to procure such information as the legislature of the State requires upon all points that become of interest in taxation and the valuation of property.

I have felt all the time, as far as Ohio is concerned, that the following tables, as will be found in the Interstate Commerce Commission Reports, should be tabulated entire without any regard to percentage. They report personal description of the roads, or, in other words, those transactions which show the history, financial and otherwise, as to the character of the property from an investment standpoint. The salable value depends upon the full knowledge of the corporation. I claim that we get that on page 17 of the Interstate Commerce Commission Report. We get the capital stock on page 17, and that should be tabulated without the percentage at all. On page 19 we get the funded debt; on page 23 we get current assets and liabilities; on page 25 we get mileage operated by the road making this report; on page 29 we get cost of road, etc; on page 31 we get the income account; on pages 49 and 51 we get, if desired, the comparative balance sheet, and on page 67 we get the description of equipment. I have claimed all the time that

this information should be tabulated all the way through without percentage and should be reported as such.

And those tables in which the States' interests are most readily observed can be grouped as follows: Page 9, A, property operated; page 35, earnings from operation; page 45, operating expenses; Page 59, employees; page 61, passenger and freight train mileage; page 65, freight traffic movements; page 69, mileage; page 71, consumption of fuel; page 73, accidents; page 75, the characteristics of roads, and page 77, bridges, trestles, tunnels, etc.

The train mileage as a basis to operate from on the percentage plan is unequal by reason that in it account is taken of a class of mileage which is not employed in some of the States. Hence, it seems to me that the operating mileage will more equally and truly represent the percentage plan.

Now, that is the condition that I have found, so far as Ohio is concerned. That is the information we require to be properly tabulated and which we submit to the legislature, the body to which we have to report, and to the public, and that was my reason for making up that report. Of course it is a matter for the convention to consider. If there is anything worth considering I would be glad to present the report. If not, it will not do any harm.

The CHAIRMAN. Is there any motion in regard to the subject? I believe there is no resolution attached to your report, Mr. Kirkby?

Mr. KIRKBY. No, sir.

The CHAIRMAN. The motion will be in order to dispose of the question, if the convention sees proper to give it that consideration.

Mr. ADAMS. There is one word I would like to say on this point. By no means do I care to be understood as undervaluing the suggestions of the commissioner of Ohio, and I heartily agree with his idea that, if possible, more States than now indulge in the luxury of railroad statistics should undertake their collection and compilation.

That amounts, however, to calling for a recommendation or suggestion from this convention that such States as do not now have railroad commissions should establish commissions. If the convention desires to do that, I do not know of any reason against it. Certainly this convention would be the last body in the world to oppose such action. I also desire to be understood as approving the Ohio method of report. It is an interesting and comprehensive report. The only point at issue is the question that was submitted to the committee, namely, "Shall this convention recommend uniformity in compilation, or shall it not?"

I would call attention to one further fact, that if the convention desire to accept Mr. Kirkby's minority report as read it accepts a principle which is contrary to the principle contained in the report of Mr. Teisberg, as to the separation by State lines of operating expenses. The one is upon the basis of mileage and the other is not; so that this convention could not accept both of these reports. It must make the choice as to which principle for the separation of statistics is desirable.

Mr. KIRKBY. Mr. Chairman, just one word, please. The Professor has mentioned the question of separation, and I think the great objection to that with railroad commissions is that they have not the office force necessary to do it. It takes time and expense. As far as Ohio is concerned, we separate everything in that State because it would be of no value. Two years ago I did not do that, but that did not answer the purposes of the legislature. Every day that it was in session somebody was sending down to the commission for information. So when

I made out this report, I went to work and made out an income account table and carried out the separation of everything in the State, requiring a great deal of clerical work, because a statistician is not a person that is picked up anywhere. You have got to get a good clerk for that purpose and commissions do not have many, neither do legislatures give them the money to employ them. That is one of the things required. We found no difficulty in procuring all the information required to divide everything at the State line. Of course the operation of the road, reached on the mileage basis, the expenses of operation could be easily obtained. We found the cost of train per train mile could easily be reached; because if a man was going to ship from Baltimore to Washington the first thing to be found was what is the cost for the transportation of the car. That has to be figured out in the office. The railroad companies will not do it. The railroad commissions discover whether there are any mistakes in that or not.

Mr. WOODRUFF. Mr. Chairman, I move the report be received and printed with the minutes of the convention. I make the motion in this form because I think we are not prepared, however valuable the suggestion is, to vote upon the question, and so we should reflect upon it. I am willing to take the Ohio form, if that is the most valuable one, but I think that the commissions from the various States are not at present prepared to accept it, and possibly if we take the report to our homes we can have the time to consider it, and therefore I make the motion in the form which I do, that it be received and printed with the proceedings of the convention.

The CHAIRMAN. Printed along with the other?

Mr. WOODRUFF. Yes, sir.

The CHAIRMAN. Do you desire to fix any time in the future when it shall be considered?

Mr. WOODRUFF. No, sir; simply that it be printed with the minutes and the papers of the convention.

The motion was agreed to.

BULLETIN OF DECISIONS OF COMMITTEE APPOINTED BY AMERICAN RAILWAY ACCOUNTING OFFICERS FOR DECIDING QUESTIONS IN CONNECTION WITH THE CLASSIFICATION OF OPERATING EXPENSES.

[Printed here in conformity with motion adopted May 15, 1895.]

INTERSTATE COMMERCE COMMISSION, DIVISION OF STATISTICS,
Washington, D. C., May 1, 1895.

For the information of carriers who are reorganizing their operating accounts in conformity with the requirements of the "Revised classification of operating expenses," taking effect July 1, 1894, or who propose in the future to enter upon such reorganization, the following decisions of the committee appointed by the Association of American Railway Accounting Officers upon such questions of classification as have been submitted to them are herewith presented. The committee is composed of M. Riebenack, assistant comptroller of the Pennsylvania Railroad; D. A. Waterman, treasurer of the Michigan Central Railroad; and Erastus Young, auditor of the Union Pacific Railway. These decisions, which have been approved by the statistician of the Interstate Commerce Commission, may be accepted as supplemental to or explanatory of the "Classification of operating expenses," and as issued upon the authority of the Commission.

HENRY C. ADAMS, *Statistician.*

Case 1.

Query. To what account should the wages of engineers and firemen operating stationary engines in shops be charged?

Answer. This expense should "be apportioned between the different accounts, on basis of relative amount of work done for the account of each," as provided for in the note at the bottom of page 17 of the new classification.

Case 2.

Query. To what account should be charged wages, board, and expenses of non-employees, witnesses in loss and damage and injuries to persons cases?

Answer. Wages, board, and expenses of nonemployees engaged as witnesses in the settlement of "Loss and damage" and "Injuries to persons" suits are properly chargeable to conducting transportation, account No. 35, "Loss and damage," or to account No. 36, "Injuries to persons," as the case may be.

Case 3.

Query. To what account should be charged expenses of litigation growing out of land damage and suits involving title to real estate?

Answer. All expenses of this nature should be charged to general expenses, account No. 51, "Law expenses," except where properly chargeable to construction.

Case 4.

Query. Should the salary of assistant general counsel, whose time is given exclusively to the business of the company, be charged to account No. 47, "Salaries of general officers?"

Answer. The salary of assistant general counsel or assistant general solicitor (whatever the title of the assistant to the head of the legal department may be) is chargeable to general expenses, account No. 47, "Salaries of general officers."

Case 5.

Query. Is it not proper that salaries of clerks in the general law department, under direct charge of the general counsel, should be charged to account No. 48, "Salaries of clerks and attendants?"

Answer. Salaries of clerks and attendants in the immediate department of the general counsel and assistant general counsel should be charged to general expenses, account No. 48, "Salaries of clerks and attendants."

Case 6.

Query. As to manner of treating expenses of sleeping or dining cars when operated by a railroad company.

Answer. Expenses of parlor and sleeping cars should be charged out in precisely the same manner as those of an ordinary passenger car. Operations of dining cars should be kept in a separate account, showing the earnings and expenses thereof, crediting any profit to miscellaneous earnings, and charging any deficit to conducting transportation, account No. 27, "Train supplies and expenses."

Case 7.

Query. The A and B railway uses jointly with the C and D railway 13 miles of track, the former paying for the privilege on basis of valuation. The agents, operators, etc., are joint employees of the two roads, and are paid by the C and D railway, which road renders bill to the A and B for its proportion of their salaries. To what account should these expenses be charged, and how should the C and D credit the amount received from the A and B railway?

Answer. The payments made by the A and B railway to the C and D railway for use of the 13 miles of track should be charged to conducting transportation, account No. 43, "Rents for tracks, yards, and terminals;" and the salaries of the joint employees as follows: Agents, to conducting transportation, account No. 30, "Station service;" operators, to conducting transportation, account No. 29, "Telegraph expenses," and so on, according to the character of the service performed.

The C and D railway should credit the whole amount received for the use of the track in question to miscellaneous earnings, and report it in the interstate commerce blank, as provided on pages 41 and 35, as "Rents received from lease of tracks, yards, and terminals."

The several accounts charged with the amounts paid by the C and D railway to the agents, operators, etc., who are joint employees of the two companies, should be credited with the proportions payable by the A and B railway.

Case 8.

Query. To what account should be charged repairs to bridges over railroads or to carry them over us?

Answer. Any repairs or renewals to a bridge built by a railroad company to carry its tracks over any stream, road, street, or other railroad, should be charged to maintenance of way and structures, account No. 4, "Repairs and renewals of bridges and culverts."

A bridge built to carry any highway or track of another railroad over its own roadbed should be considered as an overhead bridge, and any repairs or renewals to such bridge should be charged to maintenance of way and structures, account No. 5, "Repairs and renewals of fences, road crossings, signs, and cattle guards."

Case 9.

Query. To what account should be charged "Clearing out ash pits along line of road (not at roundhouse)?"

Answer. Conducting transportation, account No. 21, "Engine and roundhouse men."

This is the only heading under which this class of labor is provided for, and as the ash pits are nearly always adjacent to the roundhouses it is thought best to include all expenses of this nature in one account.

Case 10.

Query. To what account should be charged the wages of "Yard brakemen making up trains in yards prior to train going in service?"

Answer. When this service is performed by a regular yard crew, the wages of brakemen are chargeable under the classification to conducting transportation, account No. 28, "Switchmen, flagmen, and watchmen."

If, however, the train is made up before, or distributed after the run is made by the regular train crew, the wages of the brakemen are chargeable to conducting transportation, account No. 26, "Train service."

Case 11.

Query. To what account should the wages of passenger-car cleaners be charged?

Answer. The wages of all passenger and freight car cleaners are chargeable to conducting transportation, account No. 27, "Train supplies and expenses."

Case 12.

Query. To what account should the wages of employees engaged in oiling cars be charged?

Answer. Wages of car oilers are properly chargeable to conducting transportation, account No. 27, "Train supplies and expenses."

Case 13.

Query. To what account should the rent of general offices be charged?

Answer. Rent of general offices should be charged to conducting transportation, account No. 44, "Rents of buildings and other property," which provides for "payments for rent of buildings and other property" (including offices) when such property is used in connection with the operations of the road."

Case 14.

Query. Should switching charges which are provided for in the through rate, expenses of switching "bad-order cars" for delivery to shops, and charges for transferring passenger and baggage cars to and from tracks of connecting lines be charged to account No. 32, "Switching charges—balance?"

Answer. All payments made to other companies for switching cars or locomotives are properly chargeable to conducting transportation, account No. 32, "Switching charges—balance."

Case 15.

Query. How should the item of "Car mileage—balance" be reported on the form provided by the Interstate Commerce Commission for making annual returns?

Answer. In making annual reports to the Commission only the net balance of the "Car mileage—balance" account should be used, without distinction as to passenger or freight equipment. If the result for both classes of equipment is a credit balance, the amount should be reported under "Other earnings from operation" on page 35 of the form for making annual reports to the Commission. If the result is a debit balance the amount should be reported as an expense under conducting transportation on page 43 of the prescribed form.

Case 16.

Query. To what account should the wages of a traveling engineer, whose duties are to instruct engineers in the handling of locomotives, be charged?

Answer. The wages of a traveling engineer, whose duties are to instruct engineers in handling locomotives, should be charged to conducting transportation, account No. 21, "Engine and roundhouse men."

Case 17.

Query. Should account No. 34, "Hire of equipment," be construed as requiring all payments made for use of equipment (other than car mileage balance) to be charged to this account, or only the net balance paid?

Answer. Account No. 34 should represent only the net balance paid for use of equipment, other than that accounted for under conducting transportation, account No. 33, the same as if the title of the account read "Hire of equipment—balance."

Case 18.

Query. What is the distinction between the stock-yard expenses in accounts No. 30 and No. 31, and stock-yard expenses in account No. 42 of the interstate commerce classification?

Answer. Stock pens or yards, located at stations for the accommodation of stock received for shipment or used for the feeding and care of stock while en route between shipping points, should be regarded merely as station facilities, and the expenses of such pens or yards are chargeable to conducting transportation, accounts No. 30 and No. 31, which are intended to provide only for the labor and supplies necessary for the proper care of stock while in transit from the shipper to the consignee.

The account No. 42 is intended to embrace all expenses of thoroughly equipped stock yards operated by railroad companies in connection with their regular business.

Case 19.

Query. To what account should be charged items of freight charges paid other roads for return of freight missent?

Answer. Charges paid for the return of freight missent should be deducted from freight revenue. It should, however, be stated that it is not the usual practice of roads to make charges for the return of freight missent.

The CHAIRMAN. The next business in order is the report of the committee on uniform classification of freights.

Mr. MILLS. Mr. Chairman, I think I owe this convention an apology in regard to the report of this committee. It will be recollected that at the last convention this committee made a report, and in that report suggested the calling of a convention of the different traffic associations in the United States for the purpose of concluding the question of uniform classification, and the preparation of such a bill to present to Congress as might be deemed necessary to accomplish this purpose. I had intended to call that convention some time during the winter or spring, but my attention was taken up with other matters relative to our commission and legislation in regard to it, and it was impossible for me to find time for the meeting of this convention we talked of calling of the railroad men to meet with our committee.

Our committee now is not ready to report in writing. We will make a report this afternoon or to-morrow morning, and the substance of that report will be the adoption of the report of two years ago and the appointment of a new committee which can be appointed here, in order that the committee may meet before we leave to fix a time for the meeting with the railroad people. It may be further suggested that not only the railroads of the United States should be notified to attend that convention, but that the railroads in Canada be invited to meet with us, as they come in direct competition with our Northern roads and all roads terminating in Chicago. We will submit the report in writing by to-morrow morning.

The CHAIRMAN. If there is no objection that is the direction the subject will take.

No objection was made.

The CHAIRMAN. The next thing in order is the report of the committee on legislation. I am chairman of that committee, and I ask the convention until to-morrow morning to formulate a report, for the reason that we have not been able to have a quorum of the committee to

confer together, and I presume there will be a quorum in during the day. I ask the convention, therefore, to give us time until to-morrow morning to make that report.

Secretary MOSELEY. It has been the custom for the members of previous conventions to call upon the President, and in conformity with this custom the President has signified his desire to meet us at 3.30 this afternoon.

Mr. BROWN. I move that the suggestion of the secretary be accepted, and that the members of the convention meet here at 3.15 p. m. for that purpose.

The motion prevailed.

The CHAIRMAN. The next business in order is a paper by Mr. Woodruff on the regulation of State and interstate electric railways.

REGULATION OF STATE AND INTERSTATE ELECTRIC RAILWAYS.

I have had so little time at my command since receiving the list of subjects proposed for our consideration by the committee appointed for that purpose at our last meeting that what I have to offer is hardly entitled to the dignity of being called "a paper." It may, however, help to do the better work of calling out more matured thoughts from those of our number who have given attention to this subject.

Our friends, the New Hampshire commissioners, after their exhaustive examination of the subject of electric railroads, will undoubtedly speak to us "ex cathedra."

Mr. WOODRUFF. I interrupt my reading to say that I fully expected those gentlemen would be here, and I knew they were so well informed on the general subject of electric roads that I anticipated both interest and instruction from what they would say. I am much disappointed at their absence.

The "railroad problem," in which comprehensive phrase we have included all the multifarious questions pertaining to the management and control of steam railroads, is yet far from solution, and now we are confronted with a new condition, as yet undefined; a new power in its application to commerce, a power still undeveloped and to a degree unknown, but apparently a power which is to supersede steam in many departments, and perhaps as a motive power in transportation on land and on water.

The steam road superseded the old stage lines, and the electric roads having supplanted the omnibus and horse car in their heretofore special department, are now seeking to supplant the steam roads in intertown and interstate transportation; and the question naturally arises as they assume the work and emoluments heretofore belonging to steam roads, whether they should not be placed under similar supervision, regulations, conditions, and restrictions.

There are now said to be 850 electric railroads in this country, having 9,000 miles of track, with 23,000 cars, and capitalized at \$400,000,000, or about \$44,500 per mile, all of which roads have been built or equipped within the past eight years, and most of them within the past three or four. So rapidly and quietly have they been constructed that not only have they taken possession of the streets of our cities and large towns, but have occupied our country highways, and though for obvious reasons still claiming to be street railways, have in fact become intertown railroads with most of the privileges and few of the liabilities attaching to steam railroads.

So radical was the difference between the old stage coach on the public highway and the steam engine with its train of cars upon its iron tracks that our legislatures and courts found no difficulty in holding that the building of a railroad upon a highway was a use of the land for which the adjoining proprietor had not been compensated when his land was taken for highway purposes, but that such new use was an additional servitude, for which additional compensation might be required. On the other hand, the evolution of the omnibus into the electric car has been so gradual that we find our streets and highways occupied by motors and trains, differing but little in speed and exclusive possession from ordinary railroad trains, without additional compensation to either adjoining landowners or the municipalities.

When the omnibus appeared, the fact that its patrons chose to pay another for their transportation rather than drive in their own carriages was properly not regarded as a new use of the streets; hence, when the horse railway succeeded the omnibus it was easy for the courts to hold that the mere changing of the form of the vehicle, and confining its course to a line of iron rails, conforming to the grades of the street, and so laid that vehicles could cross over them without obstruction and travel upon them, was not such a change of use as would make it an additional servitude.

In like manner when the change in motive power was made from horses to electricity, it seemed, at first, nothing more than an improvement in locomotion, and it was not till we found our streets and country highways occupied with the heavy and swift moving electric cars that we discovered that the electric railroad was far more closely allied in its characteristics to the steam railroad than to the old horse railroad; and this discovery has hardly yet begun to affect either our legislation or our court decisions. Until recently the motive power used has been regarded as sufficient to differentiate a "railroad" from a "street railroad." A Connecticut statute says that the phrase "railroad company" shall be construed to mean and include all corporations, trustees, receivers, or other persons that lay out, construct, maintain, or operate a railroad operated by steam power, and a further provision is that no horse railroad company shall use steam for motive power, and these two provisions have been regarded as sufficiently distinctive definitions.

A distinction has also been made by our text-books based on what has been a characteristic of the business of the respective corporations. So recent authority as Elliott defines a street railway to be a railway laid down upon roads or streets for the purpose of carrying passengers, and says that the distinctive and essential feature of a street railway, considered in relation to other railroads, is that it is a railway for the transportation of passengers and not for freight, and the definition as given by Booth is almost identical; but the leading railroad company of Connecticut is already equipping a branch line for the use of electricity, and other railroad companies are doing like work, so that the motive power can no longer be regarded as sufficient to determine the distinction between a "railroad" and a "street railway;" neither is the character of the business performed any longer distinctive, since electric roads are already engaged in all the kinds of transportation in which steam roads are engaged.

We have not at hand any statistics up to date, but six months ago, at the time of the Atlanta convention of the American Street Railway Association, out of 413 companies reporting, all of course doing a passenger business, 35 were also doing express business, 55 were transporting freight, and 62 carrying the United States mails, and this, too, notwithstanding the fact that in at least three States such companies were forbidden by general laws from carrying either express or freight, and like prohibitions were incorporated in charters granted in other States. It appears, therefore, that in practice the distinction based on the character of business done is disregarded, and the courts of at least one State—California—have declared that no good reason for the distinction exists, but that the transportation of freight by modern and improved methods is equally entitled to encouragement with the transporting of passengers, and equally demanded by the wants of the citizens.

Again, the old distinction based upon the location of their tracks no longer exists. Elliott defines a street railway to be one laid down upon roads and streets, and Booths says, "street railways are those which are constructed in the streets, whether on, below, or above the surface." But the electric roads, while taking advantage of these routes provided for them without cost, do not confine themselves to the existing streets and highways, but have their own exclusive locations in the same manner as steam roads; and at last the courts in one State have placed these companies on the same footing as steam roads in denying their right to the occupation of the highways, outside of city limits, except by consent of and compensation to the adjoining proprietors.

This Pennsylvania decision, if sustained, would place electric roads outside of city limits on the same footing with steam roads in regard to the necessity of securing their own right of way, and as a necessary incident thereto it would seem requisite that the right of eminent domain should be conferred upon them. Whether such right has as yet ever been conferred we do not know. So long as the construction of these roads was permitted in the streets and highways without compensation to adjoining proprietors no such right or power was required, and heretofore it has been the policy of their projectors to avail themselves of the privileges attached to the old horse railways, rather than seek additional powers which could only be exercised at a cost out of proportion to the privileges acquired. But if the electric roads, when they become intertown or interstate roads, are to be compelled to secure their own rights of way, and we believe they should be so required, then there must be at the same time conferred this right of eminent domain, as their construction would otherwise be impossible. The power of conferring this right, as well as the propriety of exercising it, rests with the legislatures of the several States, and the manner in which it should be exercised is within their discretion, subject, of course, to constitutional provisions, if any exist.

In all cases the use must be public as a foundation for the exercise of the right of eminent domain, and though the right be conferred upon an individual, as in the case of a mill owner, the right can not be exercised till the tribunal named by the legislature has first found the taking of the lands will be of public use, or unless the legislature itself so finds.

In conclusion we would say briefly that it seems to us that electric railway companies seeking to build roads from one town to another, or through adjoining towns from one State to another, should be authorized so to do either by general laws or by special charters, with like privileges as steam roads, but subject to like conditions, restrictions, and regulations as to lay out or location, especially at highway crossings, construction, operation, and supervision, both State and interstate, as are applied to steam railroads and railroad companies.

The CHAIRMAN. You have heard the paper of the gentleman. It is a very admirable document.

Mr. BULKLEY. I move that the paper be received and printed with the proceedings of the convention, and that the convention extend to Mr. Woodruff a vote of thanks for his able and instructive paper.

The motion prevailed.

Mr. TEISBERG. The paper which has just been read calls for some recommendation. I think that this convention should express its approbation of the recommendation to place the electric lines in the same condition as steam railroads. I think the convention should adopt that part of the report as the expression of its own views, and not merely have the paper printed in the report, but should also have attached to it the favorable recommendation of this convention of the suggestion made.

The CHAIRMAN. Do I understand you to move the adoption of the recommendations?

Mr. WOODRUFF. I did not intend to commit the convention to the recommendation, but merely to express it as my own conviction.

Mr. TEISBERG. I think the recommendation made is of such a character that we ought to give it a little more consideration than simply to permit it to be printed, but inasmuch as it is a new departure and an important subject, perhaps it had better lie over until to-morrow and in the meantime consider it.

The CHAIRMAN. I suggest that you prepare a resolution in writing on the subject if you wish to submit it to the convention.

Mr. BROWN. I move, Mr. Chairman, that we do now adjourn to reassemble at 2 o'clock.

The motion prevailed and the convention took a recess until 2 p. m.

At the expiration of the recess the convention reassembled.

The CHAIRMAN. The convention will please come to order.

Mr. WOODRUFF. Mr. Chairman, there is a formal matter to which I wish to call the attention of the convention before we get far enough ahead to be ready for the general business. Following the precedent of last year, I move the adoption of the following:

Resolved, That a committee of five be appointed to select officers for and subjects to be presented at the next annual convention of this association, to solicit papers upon the same, either from members of the association or from those not connected with the organization, and to prepare, as far as possible, a programme of proceedings.

Precisely the same resolution as was voted upon and passed last year, and I offer it now in order that the chairman may have abundant time to appoint the committee to-day, and that the committee so appointed may consider the matter to-day and report upon it some time to-morrow.

The resolution as read was adopted.

The CHAIRMAN. If Mr. Peabody is present, his paper on "Protection of Public Interests During Railway Labor Contests" is in order.

Mr. PEABODY. Mr. Chairman and gentlemen of the convention, Mr. Woodruff, of Connecticut, echoed my thought this morning when he stated that the short notice which was given, in connection with the

subjects to be considered at this meeting, was so very short as to hardly entitle the papers written thereon to the dignity of the name of "Papers;" and those of you who know anything of the duties that come to a journalist know that in connection with such duties ten days or two weeks at most is too short a time in which to prepare papers for presentation before such a body as this. I must therefore ask that if there is anything that appears crude in connection with this subject and my treatment of it that you will overlook it, particularly on that account. The subject, of course, is one that is very large, and one that can not very well be considered in a short paper, but I have taken one phase of it, which I trust may be of interest, and I hope may be of some value in the way of suggestion to the gentlemen here, and which may be the means of provoking in the future some discussion in connection with it.

Mr. Peabody then read the following paper:

PROTECTION OF PUBLIC INTERESTS DURING RAILWAY LABOR CONTESTS.

In order to the intelligent discussion of the subject embraced in the designation of this paper, it is essential that some definition be given of the term "public interest," which is therein assumed to stand in need of protection during the oft-recurring disturbances incident to disputes between railroads and their employees, or, more properly speaking, between different classes of employees on railroads. An attempt will therefore be made in this paper to discriminate between the private and public responsibilities attaching to railway service. This is all the more necessary because of the widespread misapprehension that exists respecting the rights, powers, and obligations attaching to the ownership of railroads and the line of demarcation between corporate and public interests in their operation.

Railroads and railroad transportation are two very different things; or, otherwise stated, the ownership and operation of railroads have not only very little in common, but are almost wholly independent of each other. Unlike most commercial enterprises, the owners of a railroad rarely participate in its operation, and in these days it sometimes happens that they are denied a voice in the selection of those who manage it. My friends of Connecticut here will recall very readily certain railroads in their jurisdiction the stockholders of which were denied a voice in the election of officers of the road, within the past two years. In a railroad as property, three interests may be said to be directly concerned—its owners, its creditors, and speculators. These three interests are sometimes resident in the same individuals, but oftener they represent distinct factions, each of which is striving for the control of the property regardless of the rights of the other parties.

By owners are meant those who, by purchase or otherwise, have come into possession of the stock or shares of the road. The creditors broadly are those who have purchased the bonds of the road and hold mortgages thereon, while the speculators are comprised of gamblers who deal in railroad shares as they do in grain or provisions, regardless of anything except what they can make out of them. Separate and distinct from either of these classes are the men engaged in the operation of the road in the movement of persons and commodities. As already indicated, these individuals usually have no proprietary interest in either the stock or bonds (although they sometimes so far forget themselves as to gamble with them), but are controlled in their actions by the conditions surrounding them rather than by any instructions emanating from the financial headquarters of the corporation.

It is doubtless understood by this audience, although not by the country at large, that of all industries transportation is the least profitable; but right here the difference between railroad ownership and operation must be kept in mind. Immense fortunes have been made and lost by dealing in railroad stocks, just as large sums have been made by speculating in wheat and corn, but the one bears no more relation to the other than does gambling on the board of trade to farming. In the year ending June 30, 1893, and which was, generally speaking, a prosperous year, five-eighths of all the railroad mileage in the United States failed to pay a single cent of dividend, while during the same year 11 per cent of the mileage, in addition to paying no dividends, could not pay a dollar of interest on their bonded indebtedness. Please notice that in this connection the question of watered stock is entirely eliminated. If no dividends at all are paid, it makes little difference whether the printed stock certificates of a road amount to \$1,000,000 or \$20,000,000. So far as its income-producing qualities are concerned, it is as valueless in the one case as in the other.

Nor is it at all certain that the question of capitalization (in which term is embraced both stocks and bonds) is a matter of public concern. It is true that on the one hand it is made much of by politicians seeking to prejudice the people against railroads by claiming that because railroad capitalization is excessive therefore railroad charges must be exorbitant; and on the other hand by railroads in the endeavor to establish that because present earnings afford no adequate return on the capitalization rate schedules should not be further reduced by legislative authority; but the fact is that capitalization and transportation charges have nothing in common, nor are they in any way dependent upon one another. Railway directors determine the one and trade conditions, supplemented by an occasional reckless or idiotic railroad official, the other. The fact that a road is capitalized at ten millions or one hundred millions in no way affects the earnings. It only makes the returns to the security holders ten times as great in the one case as in the other; provided, of course, there is anything left to be divided.

It may be well at this point to mention another feature in which the ownership and operation of railroads are entirely differentiated, and that is that neither the actual nor the quotable value of stock in any degree affects the movement of trains or the business of the road. The actual value of a railroad may be said to depend upon its earning capacity, while its quotable value is whatever the manipulators of the securities are able to make it. The Santa Fe road, with the history of which you are no doubt all familiar, affords an excellent example of this fact. As at present constituted it is certain that it has not paid and for a number of years at least can not be made to pay its operating expenses and fixed charges, so that as an income-producing property for its owners it is practically valueless, but that does not interfere with the operation of its trains. Looking at it from the standpoint of quotable values we find that its stock, which but a few months since was selling at 150, will not now bring 10 cents on the dollar, yet its trains run just the same.

It is just this anomalous condition of affairs that permits speculators to amass immense fortunes out of railroad properties, while at the same time there is no profit in transportation. So far as I have been able to ascertain, Jay Gould never made a dollar out of transportation; on the contrary, he frequently lost money by it; but he acquired the whole of his immense fortune in the manipulation of railroad securities. Were he living to-day no road would afford a better opportunity for the exercise of his peculiar powers than the Santa Fe. He might engage in that at present popular pastime of reorganizing the road, and then, by a series of operations well known to Wall street operators, advance the quotable price of stock on the market until it had reached a point at which he was content to sell out. The difference between the cost and selling price would be his gain.

But from whom would this gain come? Not a dollar of it would be taken from the wages of the employees nor from the patrons of the line, but all of it would come first and mainly from speculators who were endeavoring to beat Mr. Gould at his own game, and second from investors who were foolish enough to buy stock in any enterprise controlled by a man of such character. The popular idea that the general public contribute to these immense fortunes is altogether erroneous. A certain amount comes from persons technically known as "lambs," who in their desire to get suddenly rich go into speculation and are shorn; but the principal source is the gathering together in one pocket by one speculator the amounts that are risked by other speculators in the attempt to do the same thing.

With railroads as property people generally have little to do, and some of those who are unfortunate enough to be possessed of stocks and bonds may well wish they had less; but with railroad transportation every person in this country has very much to do. Transportation enters into every condition of life and no man within the confines of civilization is or can be independent of its influence. It is important, therefore, that the character and obligation of this universal element of society shall be better understood, much better than is the case even among those directly interested in its conduct. In all that is said in this paper concerning railway employees and their obligations, it should be distinctly understood that everyone engaged in railway transportation, from the executive officer to the section hand, is included, and that it is held there is no obligation in connection with the operation of railroads imposed upon anyone that does not apply with equal force in their various spheres of action upon everyone so engaged.

The general manager of a railroad is just as much an employee as any other man on the road. His duties are to direct certain operations. So are those of the section foreman. For this duty the manager receives a specified compensation. So also do the engineers and firemen. Nor (except in rare cases) is this compensation so much out of proportion as is generally supposed. According to the Ohio railway commissioners' report for 1893, the average compensation of the general officers on all the railroads in that State was \$7.89 per day; the average of the engineers was \$3.54 per day, and of the firemen \$1.97 per day; so that although the difference in amount is considerable, the percentage proportion between the general officer and the engineer

is but little more than between the engineer and the fireman. It is not that the rank and file of railway men are too well paid. On the contrary, it is probable that few if any railway men receive adequate compensation for the service performed; but until public sentiment changes and railways are permitted, nay compelled, to earn more money, this very desirable result will not be realized.

It is at this point that transportation passes beyond the control of the owners of the railways. They can not say what rates shall be charged for the service rendered by their property. This matter is regulated by the conditions of commerce, and the good (or bad) judgment of the men operating other railroads. Nothing is easier of demonstration than that any man possessed of the rate-making power has in his hands the absolute control of the revenues not only of his own road, but those of all others engaged in transporting the same class of commodities. He can not force rates up, but he can put them down at will, and it is owing to this fact and because of the added fact that this rate-making power is in many cases committed to men wholly unworthy of the responsibility that railway earnings and railway wages are predicated upon so low a scale.

No attempt will be made in the short time allowed to even outline the development of railroad transportation in this country, which, having its beginnings in isolated and widely separated roads, has through a species of evolution attained unto a magnificent and comprehensive system, or how the railroads, from being local enterprises of limited influence and individual responsibility, have come to be the recognized vehicles of commerce, possessing in a large sense a public function and subject to regulation. This result has been mainly accomplished through the operation of a law that has been happily designated "The Charter of the American Railway System" enacted by Congress in 1866. This law provides:

"That every railroad company in the United States whose road is operated by steam, be and is hereby, authorized to carry upon and over its road, boats, bridges, and ferries, all passengers, troops, Government supplies, mails, freight and property, on their way from any State to another State, and to receive compensation therefor; and to connect with roads of other States so as to form continuous lines for the transportation of the same to place of destination."

To understand the importance of this act it must be borne in mind that while railroads as corporations are creations of the various States, transportation is a national function; and that inasmuch as by the Constitution of the United States Congress alone is vested with the power to regulate commerce among the States, the above act was not only a necessary regulation to permit these State-created roads to engage in interstate commerce, but by providing that the law might at any time be altered, amended, or repealed, Congress declared its purpose to assume the regulation of the function thus created. Nor is this assumption in any sense unwarranted. The Honorable Martin A. Knapp, of the Interstate Commerce Commission, in his address before the railway commerce congress of the World's Columbian Auxiliary, held in Chicago in 1893, said:

"The restricted jurisdiction and other obvious limitations upon the powers of the several States precludes the exercise of that comprehensive and efficient authority required for the regulation of public carriers. The business of transportation has become national in its character, and therefore the laws by which its agencies are controlled, by which its duties and privileges are measured, through which its abuses are corrected, and under which its greatest advantages may be secured, must be uniform in their operation and coextensive with the interests to which they relate."

The inherent difference between transportation and ordinary industrial pursuits is also a phase of the subject not commonly understood. An individual or a number of individuals may construct and operate works for the manufacture and sale of various commodities without let or hindrance, but there is no natural right in the individual to engage in railway transportation. The providing and maintenance of the highways of travel is a function of government which indeed may be delegated, but which can not of right be wholly surrendered. The delegation of this authority carries with it the obligation to perform the necessary duties connected with transportation, and it would not seem unreasonable to insist that with the obligation should also go the protection necessary to make its performance possible.

The act to regulate commerce, passed in 1887, is an expression of the right of regulation. That Congress not only believes it has the right of direction as to the methods employed in the conduct of transportation, but also the authority to provide all necessary means for the uninterrupted maintenance of railway service, is still further attested by the following resolution which was reported by the full meeting of the House Committee on Interstate Commerce and adopted by the House at the time the railway strike of last summer was in progress:

"Whereas the Constitution of the United States gives to the Congress of the United States alone the power to regulate commerce among the several States; and

"Whereas said commerce has been and is now interrupted and interfered with without the authority of Congress: Therefore be it

"Resolved, That the Committee on Interstate and Foreign Commerce be, and is hereby, directed to investigate said interference and interruption and the causes therefor, and to inquire what additional legislation, if any, is necessary to prevent a recurrence thereof."

The noticeable thing in this resolution is the inquiry as to what legislation, if any, is necessary to prevent interference with the regular movement of commerce, and the assumption that the function of transportation and everybody engaged in the performance of it is answerable to the United States authority.

No argument is needed to establish the fact that the unimpeded and uninterrupted flow of commerce is necessary to the welfare of the entire public. The affairs of the several railways comprised in the American railway system are so interwoven and interdependent that interference with the business of a single road of any magnitude inevitably throws the entire system into disorder. As stated by Judge Ricks in his decision of the Ann Arbor case:

"The suspension of work on the line of such a railroad (the Lake Shore and Michigan Southern) would paralyze the business of the entire country, entailing losses and bringing disaster to thousands of unoffending citizens. Contracts would be broken, perishable property be destroyed, the traveling public embarrassed, and injuries sustained too many and too vast to be enumerated."

So, also, the Hon. Thomas M. Cooley, in his address before the American Bar Association, referring to the strike of last summer, after stating that the avowed purpose was, by blocking the wheels of traffic, to coerce the railroad companies into taking such action as would compel the Pullman Company to submit to arbitration the charges of oppression its employees brought against it, said:

"The parties who were to be injuriously affected were, first, the railroad companies; second, the Government of the United States, whose transportation of the mails and *control over the interstate commerce* were to be interfered with, and perhaps the service of the Federal process interrupted; and third, the people of the United States, whose legal right to be transported and have their property carried by rail was to be in part and perhaps wholly taken away while the strike continued, at a cost to them which in all probability must in the end be counted by millions. Here were three parties, all innocent as regards the agreement which was in question, who, if the action were to be taken after the manner deemed necessary to prevent injustice in governmental proceedings, would seem to have a strong, equitable, and indeed an indefeasible right to have the effect upon themselves first considered. But this was a question of which no notice was taken. Innocent parties who must necessarily suffer not only had no opportunity to protest, but their losses were not taken into account as reasons against the boycott and strike. On the contrary, they were looked upon as favorable features of the case, since they rendered success more probable."

If it is admitted that the essence of crime consists in injury to public welfare, there would seem to be no need of enlarging upon this particular branch of the subject. Laying aside for the moment the question of asserted justification, it is difficult to conceive wherein greater injury to public welfare can be committed than by just such interruptions to the movement of commerce as take place when a railroad strike is inaugurated. The stopping of a single train by a party of bandits and the robbery of the passengers or express is deemed a crime worthy of being visited with the severest and swiftest justice; but the stopping of thousands of trains and the consequent loss to the public of many times the amount that could by any possibility be realized in a train robbery is commonly but slightly condemned, often passed by with seeming indifference, and sometimes even attempted to be excused.

It would seem perfectly evident from the history of the past, that if our railways are to be depended upon to maintain uninterrupted the movement of commerce, some way must be provided that will prevent employees from leaving the service without warning. In other words, the only way in which the commerce of the country can be exempt from obstruction is to provide that those engaged in the conduct of transportation shall be required under penalty to give a reasonable notice of their intention to quit, such notice being sufficiently long to admit of their places being filled by competent men. Concurrent with this regulation should go the correlative provision, securing employees against dismissal except on similar notice.

The violation of the law should be declared a misdemeanor and punishable by fine, in such amount, as while proving not unnecessarily burdensome, would, through the medium of a wise discretion given the court, enable it to make the punishment fit not only the crime, but the individual. That is to say, the general manager, or other officer, who, because of his position, exercises greater influence, should, if found guilty, be visited with severer penalty for obstructing commerce than the train hand. The particular lines in which this principle of regulation shall be expressed are not essential so that the law is impartial and effective. That it must be done by national legislation, and enforced in the United States courts, follows in the nature of the case. No other instrumentality is competent to handle it.

It is of course understood that in opposition to such a regulation the cry of "involuntary servitude" would be heard throughout the land; but it is a little difficult to see where such a term is applicable. Maritime laws provide that a sailor may not either quit his vessel or refuse to perform his required duty under penalty, not because of the danger of the loss of life (for the rule applies in as well as out of port) but for the reason that commerce may not be impeded. But there is no element of involuntary servitude in such employment, the condition precedent being fully understood in advance of entering it. No man is obliged to ship as a sailor, nor under such regulation as is suggested would any man be compelled to engage in the service of transportation. But having taken such service with full knowledge of the requirements as to duties, compensation, and required notice, there can be no ground for the assertion that the employment would partake in any degree of the nature of slavery.

But it may be asked, Why differentiate transportation and those engaged in it with other industries and their employees? It is because transportation in its fundamental and essential requirements is a public rather than a private service; and in the consideration of this question it should be remembered that, except in degree, there is no difference in the accountability of the railway employee to the public, from the president down to the lowest laborer. They are all simply agents of the carrier, alike responsible to the public for the faithful performance of their duties, so far as those duties affect the movement of commerce. The public recognizes the fact that in the railway, as well as in the army or on shipboard, discipline is essential. They care very little by what means discipline is promoted, but they do insist it shall be of such character as will permit of the regular and safe movement of trains.

With the exception that the railway official may not take the law into his own hands, railway management as between those engaged therein must be as arbitrary as is that of the army or marine service. The exigencies of railway service demand instant, unquestioning, and exact obedience. The performance of the service is of a nature that can not be arbitrated. Trains must run. Freight and passengers must be transported. A vessel may refuse cargo, but a railway can not. So that if continued service is a necessary factor in the one case, it is a thousand times more essential in the other. Admit individual option as a condition of train service, or any other service pertaining to the movement of freight and passengers, and chaos takes the place of system; at once there is introduced an element of disharmony that is not only a constant menace, but often materializes in the stoppage of the commerce of the country.

While it is believed to be true that everybody engaged in railroad transportation is under obligations to the public to maintain uninterrupted the movement of commerce, it is nevertheless also true that as between those so engaged another element enters into the question. Railways are public carriers, but they are also private corporations. Their first duty is the performance of a public service, and in this respect every man connected therewith owes an equal allegiance. For the performance of this duty every dollar of the property and every effort of the man, so long as he is thus engaged, is pledged; and it is only after this obligation has been satisfied that the subordinate relation of employer and employee becomes operative. The people rightfully insist that the agency to which they have committed the service of public carrying shall not be interrupted by a private interest. This was well illustrated a few years ago by the governor of a Western State.

Complaint had been made, which upon investigation proved to be true, that owing to the difficulty and expense of clearing the tracks of an extraordinary fall of snow the operation of certain portions of a road had been temporarily abandoned, and the inhabitants, left without railroad facilities, were being subjected to severe hardships. The governor at once put himself in communication with the officials of the road, intimating that the track should be immediately cleared and traffic resumed; but the officials objected, stating that it would not pay to operate that portion of the road under existing circumstances. The reply of the governor was terse and to the point. He wired back, "If you don't open the road in twenty-four hours, I will," and the road was opened. It was not a question of dollars and cents or of corporate convenience, but a public obligation demanding fulfillment at any cost.

As already stated, it is only when public obligation is discharged that the subordinate relation of employer and employee becomes effective, and it is because of the failure to discriminate in this respect that transportation has been so many times interrupted. It is not for a moment contended that many of these strikes were not justified, the relation of employer and employee alone being considered; but it is unhesitatingly asserted that by so much as public concern is superior to private interests, by so much are the men engaged in railroading obligated to sink their individual interests in the conservation of public welfare. In the working out of the industrial problem men engaged in transportation have, in common with all others, a deep personal interest, but they also have, as others have not, public interests intrusted to their charge to which, so long as they remain in the service, their own must be subservient. How these two elements may be adjusted so as to protect the one without injury to the other is a problem apparently beyond present solution.

Society as at present organized is wholly dependent upon the continuous operation of railways, and it not only possesses, but should enforce, the right of uninterrupted service in these lines. Nor is society just to itself if it permits itself to be subjected to the dangers of such interruption. The possibility of the entire stoppage of the commerce of the country because of the disaffection from any cause of those engaged therein is something that ought not for a moment to be entertained. Being a matter of public convenience, the obligations should be so binding and the penalty so severe as to preclude the careless assumption of the one or the reckless disregard of the other.

While, therefore, it may not be practicable to prescribe any universal panacea for the removal of industrial evils as a whole, it is believed to be altogether possible to formulate such regulations in connection with those matters affecting the general public as will prevent the recurrence of such scenes as have been too frequently witnessed in this country. The right of a man to quit working is not questioned, but no man engaged in a service created by and devoted to the public has any right to terminate his connection with the service in such a way as to interfere with its continuous performance. Due notice of the termination of service should be a condition of engagement, the disregard of which should be severely punished.

Whether or not there are other industrial pursuits which (while except that they are in corporations not permissively dependent upon the public for existence) are so closely identified with such interests as to justify public interference, is a larger question. Commerce and public convenience alike are so related to the coal mining industry, for illustration, as to require the maintenance of a continuous supply. There is, however, the possibility of accumulating stock sufficient to safely tide over any probable interruption in this particular, and because of this possibility it may be that the public is not warranted in assuming the degree of control which in railroad transportation is apparently justified. However that may be, there is evidently no reason for longer subjecting the people to the hardships occasioned by the interruption of those pursuits necessary to their general welfare. Engagement in such service should be entirely voluntary, but continuation in such service until the expiration of the prescribed period of time should be compulsory.

To briefly recapitulate, it is submitted:

That by reason of the demands of commerce the operation of individual roads is no longer independent, but under permissive legislation by the General Government has been resolved into one great system unitedly supplying the transportation facilities necessary to the conduct of commerce among the States.

That in view of the independent relation of railroads and because of participation in interstate commerce, control of which is by the Constitution vested alone in Congress, the conduct of transportation is properly subject to such Federal regulations as are necessary to secure the free and continuous movement of such commerce.

That while railroads are private corporations, railroad transportation is a public function, and as such must not be liable to interruption by any lesser authority than that for which it stands.

That all employees, from the highest to the lowest, are alike responsible to the public for the maintenance of such service as is necessary to secure this end.

That the law as enacted is inadequate to meet the necessities of commerce, in that it fails to define as a legal duty that which in the nature of the case is essential to its proper conduct.

That a law should be enacted which would require as a condition precedent to engaging in the business of transportation the execution of a contract providing for adequate notice on the part of either party of its intention to terminate same, making the engagement in interstate commerce without such contract or its violation when made a misdemeanor attended with suitable penalties.

JAMES PEABODY.

The CHAIRMAN. You have heard the paper by Mr. Peabody, gentlemen of the commission, just read, and what is your pleasure with regard to it? Is there any discussion of the subject desired? If not what is the further pleasure of the meeting?

Mr. WOODRUFF. I do not want to make all the motions, Mr. Chairman, but I move that the paper be received with sincere thanks, and that it be published in the minutes.

The CHAIRMAN. If no objection the secretary will give that direction. I hear no objection, and it is so ordered.

The chair might be permitted to make a suggestion. The subjects upon which papers have been prepared are very fruitful of thought,

and might be the subject of discussion and much benefit derived therefrom, and it is for this purpose I call your attention to it.

Secretary MOSELEY. I have a resolution, Mr. Chairman, from Mr. Teisberg, of Minnesota. The secretary read as follows:

Mr. Teisberg, of Minnesota, offers the following resolution:

Whereas a considerable number of the citizens of the United States believe it to be to the best interests of the whole people that the Government should own and operate the railways of the country; and

Whereas there are not at present accessible to the public reliable data as to the cost and value of said railways (if indeed such data exist); and

Whereas the question of cost and present value of railways is of great importance in the consideration of rate cases both by Federal and State commissions and courts: Therefore, be it

Resolved, That this convention hereby petition the next Congress to consider the advisability and feasibility of ascertaining, for the information of the public, the cost and present value of the railways of the country, or the cost of reproducing the same, such information to be ascertained for each road or system separately, and with as much speed as the vastness of the undertaking warrants.

The CHAIRMAN. You have heard the resolution offered, gentlemen.

Mr. SHORTER. I move that we lay it on the table. (The motion was withdrawn temporarily.)

Mr. TEISBERG, of Minnesota. Mr. Chairman, I offer this resolution, but I do not want to be understood at present as being in favor of it. I offer it in order to bring up some discussion on the third subject suggested by the committee on order of business. The third subject is in relation to Government ownership, Government control, and Government regulation of railways, and I offer the resolution in order to bring the subject suggested up for consideration, but I am not prepared to say now whether I shall favor the resolution or not. I will, therefore, place the burden of the work upon someone else. I would place it upon the members of Congress, and as I am not a member of Congress, I would not have anything to do with it. The question of the cost of railways, the value of railways, is a difficult one.

At every session of the legislature the railway commissioners of these States are requested to furnish such information, but it is absolutely impossible to furnish it with the facilities we have, and it might be that Congress in its wisdom may find some method by which it could be ascertained. I am frank to say that it might be of great value, not only to the investors in railway property, but everyone else. If I were a member of Congress I might suggest a proper department to ascertain this. We have a Department of War, which does not seem to have very much to do in this country; it is officered by civil engineers, as I understand, and I think it would be a profitable and agreeable employment. That is for Congress to find out in case it is referred to Congress.

Mr. FLORY. Mr. Chairman, I for one am of opinion that it would be a grave mistake for the United States Government to own the railroads within the United States. I believe that it would in the end result in placing the railroads and their employees in politics, and instead of being a benefit to the people, as a great number perhaps think, it would be a great detriment. I am of opinion that the United States Government should have jurisdiction over the control of railroads, but not ownership. I have been a railway employee for some twenty-one years.

A gentleman a little while ago spoke in regard to discipline. It is one of the essentials to have the several departments of the railways disciplined as much as they can be, but it is a great question, and I believe that in the end you will see that it will be something on the order perhaps of the postal department of the United States Govern-

ment, changing from time to time; for instance, the Democratic party having control, make radical changes; the Republican party get control in four years and make radical changes. I do not think it would be a good thing for the people as a whole, and I am bitterly opposed to the resolution.

Mr. TEISBERG. I do not think the resolution contemplates or intimates that it favors Government control and ownership of railroads, at least it was not my intention that it should. I am at present thoroughly opposed to Government ownership of railroads. The resolution simply contemplates a method of ascertaining the value and cost of reproducing the railroads, in order that we may know something about what they are worth, and I think when we have got those figures that the people themselves will be appalled at the expense of buying up those railroads—that they would not want them. If there is any word in that resolution which would indicate that it was in favor of Government ownership, I should certainly want it out.

Mr. FLORY. I would like to ask the secretary to read the resolution again. I so understood it, as embodying ownership, and I am still of that opinion.

The CHAIRMAN. We will send for the resolution and have it read.

Mr. SHORTER. Mr. Chairman, for the past ten years, in an official way, I have wrestled with these two questions, the value of a railroad and a reasonable rate. I never found during my experience as a railroad commissioner what was a reasonable rate until I got that information from the distinguished former chairman of the Interstate Commerce Commission in this room several years ago, when he said to me that he believed, as the result of his observation, that a reasonable rate was one under which a trader thought he had some little advantage of his adversary; and I think that is largely true.

As to the value of a railroad, I have struggled with that question a great deal, and in the State in which I live we are required to make a revision of the freight and passenger rates from time to time, and in making that revision we are required to take into consideration the business of the whole road, both passenger and freight, and allow such a tariff of rates as will yield to the carrier a fair and just return on the value of the railroad, its appurtenances, and equipment. There is a business principle underlying that feature of our statute distinctly different from the idea involved in a just compensation or payment for service rendered. That statute, you will discover, remits to us the ascertainment of two questions of fact—first, what is the value of the railroad, and, next, what is a fair and just return upon that value? We can not rest when we have satisfied ourselves as to the cost of the property.

We look at its earning capacity as a factor controlling value, also we consider its importance and value as a link in a through line or system, and then, Mr. Chairman, in order that we may make no mistake about its value, I go into the auditor's office and see what the owners of the property gave as value for taxation. I advert to these things to show how difficult it has been with me. I do not know how much difficulty other gentlemen have experienced in respect to that question, but the question of value is one which, so far as my commission is concerned, we have struggled with a long time, and, as a matter of fact, we approximate value at last in fixing a rate. It is very difficult to get at its value. The earning capacity is a large factor in determining value. All these things enter into it. The distinguished gentleman who offers this resolution wants to find some way, some contrivance, by which we can determine the value of these properties. Mr. Chairman, I do not believe it is practicable.

Without detaining the convention further, I beg permission to renew the motion I made in the outset, to lay the resolution on the table.

The CHAIRMAN. The question is on the motion of Mr. Shorter that the resolution be laid on the table.

The motion was agreed to.

Mr. BROWN. At the suggestion of the gentleman from Connecticut (Mr. Woodruff) I offer the following resolution:

Resolved, That the next meeting of this convention be held at Washington, D. C., on the third Tuesday of May, 1896."

The resolution was adopted.

Mr. JORDAN. Mr. Chairman, I move that we take a recess until 10 o'clock to-morrow morning.

The motion was agreed to.

Accordingly, at 3.15 p. m., the convention adjourned until Wednesday, May 15, at 10 a. m.

SECOND DAY'S PROCEEDINGS.

MAY 15, 1895.

The convention met at 10 o'clock a. m. pursuant to adjournment.

The CHAIRMAN. The convention will please come to order.

I announce as a committee on programme and officers for the next convention, under the resolution adopted yesterday, as follows: Messrs. Woodruff, Mills, Moseley, Jordan, and Beddingfield.

The CHAIRMAN. The first business in order this morning, under the order of yesterday, is the consideration of the report made by the committee on railway statistics. I see that the gentleman from Alabama, Mr. Shorter, who asked its postponement, has not yet come in. As I suppose he intends to make some remarks on the subject, the motion had better be laid aside for the present.

Mr. WOODRUFF. I think it is better to wait until Mr. Shorter comes.

The CHAIRMAN. If there is no objection it will be laid aside until the arrival of Mr. Shorter.

Mr. WOODRUFF. I move that the committee on railway statistics be continued, with power to report to the next convention on such subjects as they may deem best. It seems to me that this committee should be made a standing committee—

The CHAIRMAN. You have heard the suggestion of Mr. Woodruff, of Connecticut, that the committee on railway statistics be continued, with authority to report to the next convention. Is there anything to be said on this motion? If there is nothing to be said, the motion will now be considered.

The motion was agreed to.

Mr. BROWN. The paper which was read yesterday by the gentleman from Connecticut, Mr. Woodruff, and the recommendation which he made or suggested seemed to meet with the hearty response of everybody here. In other words, he seemed to reflect the sentiments of at least a majority of this convention. Yet the subject is a somewhat new one, and inasmuch as Congress is not in session, and the time has gone by for securing legislation in most of the States in the Union, it can do no harm to postpone action by the convention for another year, and with your permission I beg leave to submit the following resolution on that subject for the consideration of the convention:

Resolved, That the chairman appoint a committee of five, to whom shall be referred the paper read yesterday by Hon. George M. Woodruff, of Connecticut, on "Regulation of State and interstate electric railways," and that the committee so appointed shall make a report to the next convention with such recommendation for State and national legislation as shall in their judgment conserve the interests of the public.

I move the adoption of that resolution, Mr. Chairman, and do so with the distinct understanding that I am not to be on that committee. I think the chair ought to be entirely relieved from that consideration in the appointing of committees, and I also think that in the selection of committees on any of these subjects that are referred, the proximity or nearness of residence of those appointed on the committee should be considered. For instance, on the committee on programme for this year one of the members lived in California, one in Illinois, one in Pennsylvania, and one in Iowa, and it was therefore very difficult to convene the committee. I have no doubt that the chairman will not thank me for this suggestion, but anyhow I think it worthy of consideration.

The CHAIRMAN. On the contrary, I agree with the gentleman, because I am well aware of the difficulty experienced in securing a quorum because of the wide distance between the members. The only part I do not concur in is to leave him off.

Gentlemen, you have heard the resolution to appoint a committee to consider the question of electric railways, discussed in the paper of Mr. Woodruff. Is there anything to be said on that motion? It will be in order to hear any discussion on it that might be appropriate.

The resolution was adopted.

Mr. WOODRUFF. According to my recollection, Mr. Knapp, of the Interstate Commerce Commission, consented to speak to us at the opening of the convention this morning, and I would suggest that he be requested, if convenient, to do so now.

Mr. TEISBERG. While we are waiting for Mr. Knapp, I desire to present a matter in the shape of a resolution as follows:

Resolved, That the chairman of the convention be empowered to fill any vacancies that may occur on committees during the year.

It frequently happens that along about New Year's there are changes in commissions in several States, and in that way the different committees will be short as many members as happen to go out of office, and I think that the chairman of the convention should have the power to fill vacancies that may occur.

Mr. WOODRUFF. I favor the resolution. At the same time I think it would be well to bear in mind that we have a standing rule that former members of conventions are always requested to be with us, even if they go out of office, and are willing to serve, but I do not think there is anything in Mr. Teisberg's resolution to prevent that.

The CHAIRMAN. Is there anything to be said on the motion of Mr. Teisberg?

The motion was adopted.

Mr. WOODRUFF. Mr. Chairman, Mr. Knapp has come in.

Commissioner Knapp then read a paper, which is not printed in these proceedings, but is held at his special request for revision and with a view to its later publication in pamphlet form.

The VICE-CHAIRMAN. What is the pleasure of the convention with reference to the paper just read?

Mr. SEYMOUR. I move that the thanks of the convention be extended to Commissioner Knapp for his very able, interesting, and instructive paper; that we thank him also for the honor of publishing such a paper among the proceedings of this convention.

Mr. YANTIS. I second the motion.

Mr. BULKLEY. I would like to offer an amendment to Mr. Seymour's motion, first asking if it is possible to publish this paper for

general distribution; it is so fair, so able, so instructive, that I think it ought to be published for general distribution—if Mr. Seymour will accept that amendment.

Mr. SEYMOUR. I will accept it if it can be made.

The VICE-CHAIRMAN. Gentlemen, you have heard the motion as amended; what is your pleasure?

The motion as amended was unanimously agreed to.

The CHAIRMAN. The next business in order will probably be (Is the gentleman from Alabama present?) the consideration of the reports from the committee on railway statistics that were laid on the table yesterday—the second report of the committee on railway statistics, by Mr. Teisberg. Will the secretary read the resolution?

Secretary Moseley read the following:

As a brief expression of the best judgment of your committee on this matter, we beg leave to present the following resolution for your considerations:

(1) *Resolved*, That in making their reports to State railroad commissioners the railroad companies shall apportion to each State, on a mileage basis, its proportion of cost of road and equipment, its proportion of stock, funded and other debt, and its proportion of fixed charges.

(2) *Resolved*, That the apportionment of operating earnings to each State shall be on the following basis, viz, each State shall be credited with all the earnings derived from business originating, terminating, and being carried entirely within such State, and its mileage proportion of all interstate business.

(3) The earnings and income from other sources than transportation of such railroad companies shall be credited to each State on a road mileage basis.

(4) The operating expenses shall be charged to each State on the basis of train mileage in such State.

(5) The reports on above basis, in those States so requiring, shall be made the first time in the reports for the year ending June 30, 1896.

HENRY C. ADAMS,
A. K. TEISBERG,
ALLEN FORT,
WILLIAM KIRKBY,
WILLIAM O. SKYMOUR,
Committee.

Secretary MOSELEY. The resolution is to be found at the foot of the eleventh page of the report of proceedings of yesterday.

The CHAIRMAN. What is the pleasure of the convention with regard to these resolutions?

Mr. YANTIS. I move the adoption of the resolutions of the committee.

The CHAIRMAN. The gentleman from Illinois moves the adoption of the resolutions.

The motion was seconded.

The CHAIRMAN. Discussion of the resolutions is now in order. Is there anything to be said for or against the motion? Are you ready for the question? The question is upon the adoption of the resolutions just read, offered by the committee on railway statistics.

The motion prevailed and the resolutions were adopted.

Mr. WOODRUFF. I beg leave to offer this resolution—

Resolved, That the preamble and resolutions offered by Mr. Teisberg in regard to Government ownership, control, and regulation of railways, be referred to a committee of five, of which the chairman of this convention shall be chairman, to report to the next convention.

Unless the chairman of this convention should feel a delicacy in putting that resolution.

The CHAIRMAN. Perhaps it would be more orderly to first take it from the table.

Mr. WOODRUFF. I was ready to make a motion to that effect, but was waiting on Mr. Shorter. I move now to take that resolution from the table.

The motion was agreed to.

Mr. WOODRUFF. I beg now, Mr. Chairman, to offer the preamble and resolutions as read.

My motion is to refer these resolutions to a committee of five, of which the chairman of this convention shall be chairman, to report at the next convention. And I would say that I sympathize with the mover of the resolutions in the desire for information on this subject, and believe that our people and ourselves need education on the subject. I am free to say, as now informed, that I am not in favor of the resolutions; but I do think they present subjects upon which we can be better informed than we are now, and I hope that the committee that may be appointed may give us additional information, and educate us and through us the people on this subject, and it is with that idea that I offer the resolution.

The CHAIRMAN. You have heard the motion of the gentleman from Connecticut to refer these resolutions to a committee of five, the committee to report at our next convention. What is your pleasure in the matter?

The motion was agreed to.

Mr. SEYMOUR. I rise to make an explanation—perhaps unimportant—concerning a certain remark made by Mr. Peabody in his admirable paper, on page 26 of the printed proceedings of yesterday. The remark is, "My friends of Connecticut here will recall very readily certain railroads in their jurisdiction the stockholders of which were denied a voice in the election of officers of the road within the past two years."

That remark may not be understood by all the members of this convention, and it is merely to explain that condition of things for which I arise now. The railroad company referred to was empowered by its charter, granted by the State of Connecticut, to prepare and pass certain by-laws for the control of the company's affairs. One of those by-laws was, that the president of the railroad company shall preside at all meetings of the company for the transaction of business at the annual meetings. A certain stockholder contended that at an annual meeting the stockholders should have the privilege of electing the presiding officer, and that the president elected by the board of directors, who were elected by the stockholders, should not have the privilege of presiding at the annual meetings. That was the question at issue, and only that question. So that while the statement is technically true, yet it is also true that the stockholders elected the board of directors, who were empowered to elect a president, whom they empowered by their by-laws to preside at all meetings of the company. That is the condition of things that existed to which the remark referred.

Secretary MOSELEY. I have a resolution here on uniform classification, being a report of the committee, which I have been requested to read:

REPORT OF COMMITTEE ON UNIFORM CLASSIFICATION OF FREIGHTS.

Your committee on uniform classification of freights make the following reports. We respectfully submit the report of the committee, 1894, found on pages 34 and 35 of the report of the proceedings of that year's convention.

The reasons for not calling the committee together was explained by the chairman to this convention at yesterday's session.

The committee respectfully submit the following: By correspondence and personal interview with railway traffic officials, they have ascertained that the railroads themselves are, as a rule, unanimously in favor of a uniform classification, and the result of their action has been that since 1887 a uniform classification has been in

effect in the territory bounded on the west by the Mississippi River, on the south by the Ohio and Potomac rivers, on the north by the lines leading from Iowa to Chicago, and on the east by the Atlantic seaboard, including the New England States.

In order to get this uniform classification between forty and sixty classifications, local and through, had to be assimilated, for the reason that in no other way could the principle laid down by the interstate commerce law be carried out within this territory where traffic was interchanged between roads with nearly the same facilities as though they were under one management. Shortly after this uniformity of classification was arrived at, the Trunk and Central Traffic Association lines recognized the difficulties they were under in the shipment of traffic to and from Southern and Western States east of the Missouri River, and various attempts were made to harmonize those interests.

One of the greatest difficulties encountered was not only the classification, but also the rules under which freight was to be carried; as, for instance, estimated weight, minimum weights, character of packages, etc., as all such rules affect the rate.

In 1893 the Central Traffic Association proposed a commission, composed of delegates from New England lines, Trunk lines, Central Traffic Association lines, and Western Freight Association to see if a uniform classification east of Denver to the seaboard, and from the Lakes to the Gulf of Mexico, could not be arrived at. The commission was appointed and worked faithfully from early in August until late in November, 1893, holding a number of meetings without arriving at any uniformity of classification for this territory.

The differences were not very great until the lower classes were reached, viz: The fifth and sixth of the trunk line and the seventh and eighth, and what are known as the "lettered classes" in the Western and Southern classifications. In addition the local interest was found so great in the handling of certain classes of traffic as to necessitate the making of an immense number of commodity rates unless the views of some of the members could be radically changed. It was also found that the classification of the trunk lines and the Central Traffic Association were much lower on many articles than the classification of the Western and Southern roads, which was to be expected, for the reason that "tons moved 1 mile" in trunk-line territory was much greater than in the Western and Southern territory, producing the natural result that where the largest tonnage is moved the rate per ton per mile is the lowest.

The entire matter was again taken up in 1894 without any advance being made, and during 1895 nothing whatever has been done in reference to this subject.

Your committee fully appreciates the difficulty in the establishment of a uniform classification, and also appreciates that it would be impossible for them, not possessing the expert knowledge necessary, to make such classifications without the aid of railroad officials, who have for years given this subject careful and earnest consideration. The following is an extract from a letter received by the chairman of this committee from Mr. Bird, freight traffic manager of the Chicago, Milwaukee and St. Paul Railway. Mr. Bird is a thorough believer in the necessity and practicability of a uniform classification, and probably has given this subject as much thought as any traffic manager in the United States:

"The necessity for a uniform classification is not fully appreciated by the people at large, and possibly not by the carriers. * * * Rates, through and local, State and interstate, may be just in and of themselves, also reasonably just and equal, but when they are applied under varying classifications which are governed by conflicting and divergent rules, they become relatively unjust, unequal, and burdensome. As a matter of detail it is difficult for an expert, and almost impossible for a shipper, to determine with precision what rate will be charged on a given shipment with two or more classifications taken into account. * * * In my judgment the reason why we have not been able to agree among ourselves is that the work, being full of inherent difficulties, is complicated by diverse interests of competing districts. That which might serve one community or even a State would not be acceptable to other communities or States. Local and sectional influences are as effective and troublesome in this matter as is the tariff question in Congress. We can not, of course, by adoption of uniform classification deprive State commissioners of the right to choose classification which is conferred upon them by their respective legislatures, but we want them, by the action of the national association of commissioners, to be so much committed to the principle of uniformity that they will not, without urgent reasons, change classifications and destroy the uniformity which is so much desired.

"That completion and adoption of new and uniform classifications will not end the matter. A classification, no matter by whom made, will be found to contain errors, which must be corrected, and additions would have to be made quarterly or semiannually. The machinery for corrections and additions must be framed with care. Again, the number of classes and the general arrangement of the classifications that will ultimately be adopted to apply on all interstate traffic will not be such as to conform with the rate sheets which have been established by legislative

action, or by the commissioners of the various States under legislative authority. A uniform classification, such as desired, should embrace from eight to twelve classes. In the event of success in the matter of uniform classification for interstate traffic, it will be necessary to procure the hearty cooperation of all State commissioners to a complete revision of local State rate sheets, so that they may conform to the requirements of the new classification. This subject has been carefully considered, and it is believed that, with the cooperation of the various State commissioners, necessary changes can be made without doing violence to the fundamental bases of rates of the various States."

The committee would respectfully submit the following resolution:

"*Resolved*, That the subject of uniform classification be recommitted to the present committee, or a new committee be appointed with instructions to its chairman to call said committee together at an early day for consideration of the subject, and that he be requested to invite the various traffic associations of the United States and Canada to send a representative of each association skilled in classification to such meeting, for the purpose of conference with a view to reaching the desired end."

IRA. B. MILLS.
WM. KIRKBY.
S. R. BILLINGS.
H. D. BULKLEY.

The CHAIRMAN. You have heard the report of the committee on uniform classification of freights.

Mr. MILLS. It was not the idea of the committee to interfere with the prerogative of the chairman in wording the resolution; we wish to leave the chairman perfectly free to appoint such committee as he may desire. Now, in regard to this subject of classification, for the two years that I have been on this committee I find that there has been in railroad circles a great change in opinion as to the practicability of a uniform classification applying to all the United States. Some of our Western traffic managers when I first broached the subject to them said it was a possibility. Some of these men now believe it can be accomplished, and its accomplishment is very desirable. It will be impossible, probably, to make a uniform classification which will govern all classes of freight, but it can be made, we think, so it will take in general merchandise, machinery, and all such classes, and providing sufficient commodity tariffs; it will work well for the people, for the shippers, and for the railroads themselves. But some of the railroad officials believe in order to accomplish that it will be necessary for Congress to take some action in regard to it, and that is the object of calling a conference of the railroad traffic men to meet with our committee to see what legislation is necessary and what can be done toward bringing about uniform classification as soon as possible. The subject has been under consideration for a great many years, and has been accomplished in different territories, but the object is now to make it applicable to the whole United States. It was suggested by some of the railroad people it would be well to invite the Canadian roads in because they are competitors with our lines in the West and even east of Chicago.

The CHAIRMAN. Is there anything further to be said on the subject of the resolution? If not, the chair will put the question.

The resolution was unanimously adopted.

Mr. MILLS. The committee on uniform classification think it would be desirable to have the committee meet at as early a day as possible so as to fix the time and place for the meeting with the railroads. Is Mr. Duncan, of South Carolina, still a member of the commission?

Secretary MOSELEY. No, sir, he is not.

The CHAIRMAN. I will then substitute Mr. Jordan, of Georgia.

Mr. SEYMOUR. If Mr. Duncan would consent to serve, certainly he has the privilege of doing so under the former resolution passed last

year; and he was a member, one of the commissioners, and he would make a more efficient member of the committee than a new man who has got to learn the whole matter over again.

Mr. MILLS. I would very much like to have the assistance of Mr. Duncan, as he is quite familiar with this subject.

Mr. WILSON. Mr. Wilborn is present and can give some information about Colonel Duncan upon that matter.

Mr. WILBOEN. I have not consulted with Colonel Duncan on the matter, but I think he will be willing to serve. He is now our secretary and it is still in his line, and I feel very confident he will be willing to do anything this convention would call upon him to do.

The CHAIRMAN. Very well; if he will consent to serve he is eligible, and the other gentleman is a new commissioner.

The next business in order is the discussion of the subject of overcharges and undercharges. Is there anything to be said upon that subject?

Mr. BROWN. I believe there is no paper prepared upon that subject. Mr. Riebenack intimated he would have an article to read on that subject, but he has advised me that the time was so short he could not give it the proper attention, and I suppose that subject, if there is no discussion on it, will be passed.

Mr. SHORTER. Mr. Chairman, the subject of overcharges and undercharges appears to be one of the most important matters pertaining to railway service that we can consider, and to me it appears to be a matter that all the commissioners ought to take a special interest in, if they have had the same experience, and I take it they have, that I have had in my State. It is not an unusual thing—it is a common thing in the daily transaction of business—that shippers meet with these overcharges. The freight arrives in car-load lots, and after twenty-four or forty-eight hours, as the case may be, must be taken out and it must be removed in order to avoid demurrage charges. But the payment must be made of the freight bills as they are presented. Very many cases have been called to my attention. Upon a complaint being made, the reply was simply: "The rate fixed in that bill of lading is not the rate we have advertised on our tariffs." While a mistake is known to exist, they must pay the face of the bill of lading, and they do pay it; and, as a matter of fact, it is considered a reasonable and proper regulation to do so, and then send in the claim for the overcharge.

Mr. Chairman and gentlemen of the convention, it is my judgment, based upon my experience of ten years and more, that there has been no particular progress made by the railroads in their claim departments. There has been progress in every other respect, but none in this. I do not believe that the failure of this progress is deliberate or determined, or the result of concerted action, but that there is a defect in the operation of the claim department there is no doubt. The railroad commission of my State, in our last annual report, referred to this question. We have not been able to discover any remedy which may be applied by legislation, but we concluded that if both the delivering lines and the connecting lines would put their minds upon it and make an effort, there might be organized some system by which these overcharges could be more speedily corrected and paid back—possibly an institution in the nature of a clearing house—and I am of the opinion that it is practicable for the delivering lines to pay back overcharges under the operation of the clearing house. Let the general managers of the clearing house, immediately on being satisfied there is an overcharge, require that the delivery line pay the overcharges, and let them take it up and trace it

back immediately and locate the point at which the overcharge arises and have the correction made.

By way of illustration of the evil effect of the present system I make this statement, that less than twelve months ago one of the largest wholesale grocery dealers in the city of Montgomery, Ala., handed me a postal card, saying, "I don't make any complaint against the railroad company. They deal kindly with me in all matters of business and transportation, so I don't make any complaint of the railroad company, but look at this card and see how the claim department works." It was simply a notification that his claim of an overcharge of \$2.34 on some line of shipment had been allowed. This claim for \$2.34 had been filed with the railroad company two years and seven months prior thereto. Dealing with this case as we would ordinarily, as we do in other matters, we would say it was an outrage. It may have been overlooked, perhaps, but that is always the contention in these cases, that they are overlooked by the employee in charge of these claims, or some other excuse is made. The \$2.34 was withdrawn from the capital invested in the wholesale grocery business. The withdrawal of that amount for two years and seven months does not practically amount to anything, but if we look at the number of the cases of that kind all over the country and the amount of money withdrawn from business and tied up in the claim department by the railroads it would appear amazing. I confess I am not prepared to make to this convention any suggestion for a remedy for this evil, but there ought to be a change in the organization of the claim departments so as to make them meet the difficulty, the trouble, which every shipper has in dealing with them.

I am not satisfied in my mind that it is practicable that an institution like a clearing house can be established; but something like it, some institution, some plan to be created by which these overcharges could be paid back more speedily, ought to be. It occasions great trouble, and there ought to be a remedy. I have referred to it in my annual report to the general assembly, but we made no recommendation for legislation.

I would be glad to hear from other members of the convention. I suppose you all have experienced this trouble.

The CHAIRMAN. We would like to hear from any members of the convention on the subject.

Mr. TEISBERG. I can testify as far as Minnesota is concerned; we have the same thing there. There is always a great delay and a great deal of red tape and I think the railroad people themselves acknowledge that there is, but they have so far been unable to suggest any remedy. There seems to be a conflict pending between the auditing departments and freight departments. At present they say it is the freight department that has this matter in charge. The auditing department has been more expeditious. I am not advised whether it can be put in any better shape than it is, but it is certainly very annoying to the railroads as well as the people. I do not think they hold this money purposely for the purpose of using it in the management, it is simply a want of system.

The CHAIRMAN. Is there anything further to be said on this subject, or any resolution to be offered?

Mr. HICKMAN. Mr. Chairman, I want to state that, as a rule, say forty-nine times out of fifty, the correction is made. We do not have much trouble on that line, because the railroads generally arrange their affairs satisfactorily. We have these claims frequently, however; but we send them right to the railroads, and I would say forty-nine times out of fifty they are located and paid, and there is no further trouble.

Commissioner KNAPP. I have no disposition to take up the time of the convention. I have no theories to advance or plans to propose for the correction of this evil of overcharges, though it is one with which my associates and myself are daily confronted. I think I am quite within bounds when I say that the complaints we receive of this kind are more numerous than all others. You will bear in mind that these complaints are more frequently than otherwise connected with interstate transportation and incidental shipments. The great bulk of standard commodities which move between the producer and the distributor are governed by tariffs which are well known and usually correctly applied, but in a case of incidental shipments, for example, of household furniture or horses, between distant points, the difference between what is exacted when the transportation is concluded and the sum which was supposed to be sufficient when the movement began, as very frequently occurs, is often considerable, and gives rise to constant annoyance, irritation, and disappointment. The amount involved in any one case is seldom of any great consequence, although it may be of considerable importance to the fellow who has been compelled to pay it.

I mention it simply to illustrate one of the ways in which these claims arise, or one of the ways in which shippers become disappointed about what they had to pay, which grows out of the routing of freight. For instance, we received a complaint a short time ago from a dealer in fruit trees, I believe, at Lockport, N. Y., who had received a shipment from some point in Illinois. The charge was five or six dollars more than he thought it ought to be, and it so happened that he would not have made the shipment at the greater rate. This turned out to be the fact: The initial carrier, instead of sending it in one direction on its line to a junction point which made the shortest route and lowest combination of charges to Lockport, sent it the other way over its lines, so as to get the longer haul, with the result of a combination of rates which produced a charge to the parties exceeding that which they expected.

I only mention that to show one way in which these things occur. I doubt whether legislation can be made so definite and exact in its provisions as to be of any great utility. It is a matter which should address itself primarily to the action and conscience of the carriers themselves. It would seem as though some system could be devised for investigating these complaints and adjusting them when they are found to be well grounded, which would be prompt, satisfactory, and equitable.

As I said, I have no plan to propose, but I beg to remind the convention that in our work we are made aware daily of complaints of this kind arising in such way as to irritate and disappoint persons using the facilities of the carriers. I think the members of this convention, perhaps, owe some duty to the public to call the attention of railroad managers in their several States to the widespread character of this evil, and to urge upon them the adoption of such measures as will lead to its correction or mitigation.

Mr. FORT (Mr. Woodruff in the chair). Mr. Chairman, I wish to say one word on the subject under consideration. I do not believe there is any way that the Commissioners, as Commissioners, can accomplish the reforms and reliefs needed in the case of overcharges, but I think that we could be somewhat useful in recommending proper legislation to the several States. Suppose that the courts had a summary way of enforcing the refunding of overcharges. We could recommend a law on that

subject. I will state that in Georgia we had recommended what we thought was a good policy there. The aggregate of overcharges is a very considerable amount to almost every railroad doing a large volume of business. The claims for overcharges are in great disproportion as compared to the amount of overcharges actually made, for often they are small and will not pay for the trouble of making out the claim. An overcharge is an illegal charge; it is an unjust charge. The railroads have no right to demand an overcharge, and they ought not therefore to complain if the legislatures of the several States put a penalty on that kind of offense, for they can easily avoid, by obeying the law and making a just charge, the consequences of the law.

If it were a rule of each of the States that a person could recover double the amount of overcharge with all the expenses of bringing suit, I think we would have less red tape, and they would soon discover that the delivering agent who could correct an undercharge would have sense enough to correct also an overcharge; and then also their interest would be to promptly settle overcharges at the place of delivery just as they settle undercharges, and that would avoid not only the expense to the railroad of the large number of men engaged in seeing whether or not an overcharge is made, but would also avoid to the people one of the fruitful causes of irritation on the subject of overcharges. True, they make a number of claims that are not just and that ought not to be paid. The rate ought to be so well known, so public, so easily ascertained, that neither shipper nor public could have trouble about it. So I wanted to give this thought to the convention for what it might be worth. If, in the several States, we could recommend such measures as would secure the prompt refunding of overcharges, it would be an excellent thing.

MR. BULKLEY. I would be very glad to have Mr. Peabody give some information on that subject, as he has been thoroughly familiar with rate making and the difficulties in regard to these overcharges.

THE CHAIRMAN. We would be glad to hear from Mr. Peabody.

MR. PEABODY. I think probably that if the attention of the convention was turned to the cause of the overcharge, rather than to an attempt to correct the overcharge after it has occurred, some progress might be made in an understanding of the case, at least. As remarked by Commissioner Knapp, most of these overcharges occur on incidental shipments, the rates on which are made in this way: Suppose the agent of the Burlington road at Burlington was offered a shipment of household goods for a local station in Georgia. There being no through rate to Georgia accessible to him or anybody else, except so far as it might be made by a combination of locals, he would wire the general office for instructions as to what rate he would quote. The general office of the Burlington road would be in equal ignorance of the correct rate. It would immediately put itself into communication with the line from Chicago to Louisville and Cincinnati, and possibly some other routes by which this point in Georgia could be reached, and find out what they would accept as a proportion of the through rate on this shipment to destination. In the course of a few hours—varying from an immediate answer to forty-eight hours—they would receive replies. The same communication would be made to the traffic departments of the connecting lines at Louisville, at Cincinnati, and at other points by which the rate was desired. These answers would be received and the lowest combination of those several answers when added together would be selected as the through rate. The sum of this aggregate rate would then be quoted to the agent at Burlington, and the agent at Burlington

would quote it to the shipper. The shipper would say, "I will ship under that," and the general office in Chicago would be notified that the rate is accepted; possibly not, but generally this is the case. The shipment would be made, the general office in Chicago having issued what they call a special-rate notice, and the freight would go forward. But it might, and often does, happen that neither the agent of the road from Chicago to the Ohio River or the agent south of the Ohio River would be notified of the rate that would be used. When the shipment reaches Chicago it is transferred to the connecting line. The agent of that line, having no notice of the rate made, pays the back charges to Chicago and charges his regular tariff, not a proportion of any through rate. On reaching the Ohio River it would be transferred to the connecting line there on the same basis. When it reaches the "basing" point—you are all familiar with that term—such as Atlanta would be, it would be transferred to the local line going to the local point, and it would charge its local rate to destination. The Burlington road may have issued a bill of lading through to that point at the quoted rate, and would therefore be responsible for the protection of that rate, but when the freight reached the point of destination it would be very much overcharged, and nobody to blame, perhaps, because the roads making the overcharges and all of them participating in it had no knowledge of the shipment. We might say that they ought to be notified, but a thousand rates of that kind are asked for where one is used, and it would be burdensome to issue rate notices on all such quotations. Under such a system of rate making overcharges are inevitable, nor can the agent at destination by any possibility know exactly what is the correct rate so as to make the necessary correction, even if he had authority. It is one thing to correct overcharges on local rates, but a very different thing to correct overcharges on joint rates.

As to whether the machinery for settling overcharges can be improved there is little question. It can be, and should be; but there is a possibility of you gentlemen doing away with many causes of overcharge, and thereby lessening their number. If no rate was allowed to be used, especially in interstate commerce, but what was regularly issued and sent to the Interstate Commerce Commission, nine-tenths of the overcharges would be done away with. The present practice, I believe, is never or very seldom to send the special single shipment rate notice to the Commission. But they are no less tariffs than if a thousand shipments were made under them, and if roads were obliged to send to the Commission these notices, making them tariff rates, the cause of overcharges would be largely done away with. As I understand it, the Interstate Commerce Commission has a rule that in the absence of a published through rate the local rate must apply, but the facts are the local rate does not apply; the special-rate notices apply. They are made in special cases and are responsible for the overcharges. If you gentlemen can formulate any process by which they can be forced to issue them in the proper way, you will do away with a majority of the overcharges.

Mr. JORDAN. Mr. Chairman, in my experience I have found that the occasion for these overcharges very often arises from wrong classification. Several instances of that kind have occurred in my experience in the last few months. When these overcharges are referred to the Georgia railroad commission they are turned over to me and come within my department. I have found that to be the case in nearly every instance, the shipments being interstate shipments, nearly all of them. I investigate them as a matter of courtesy, and give the parties

such instructions as will assist them. In one instance lately there was a road which had been guilty of indiscretions, it is alleged, by the Southern Railway and Steamship Association, and was boycotted, which was brought to us on a very small overcharge, and we destroyed the boycott very quickly. It was a newspaper that brought the case, and they made it pretty lively. They had a shipment of paper from Philadelphia. It was billed at a rate that was a car-load rate and on a wrapping-paper rate. The rate was neither correct as to the amount of the shipment or the character of the freight. This trouble arises from that eagerness which roads evince to get business when there is no business or little of it. There are too many railroads for the population and for the area of territory, and in this way these things occur. We have very few complaints about local shipments in our State, and when they are reported the shippers are nearly always wrong. The railroads are very particular about that. Without making any arbitrary rule or recommendation, we should have it in view that a great many of these overcharges arise from changes in classification made for the purpose of a secret rebate.

Mr. WOODRUFF. May I ask the members of the committee on organization of the next convention to meet in the next room?

Secretary MOSELEY. I am requested to move that the membership of the committee on uniform classification be increased from six to eight. The reason for this motion is, that it is very necessary to obtain the consent of a number of the States now making their own classifications to make uniform classification effective. By adding to this committee additional members familiar with the classification of their States, it must increase its efficiency.

The motion was agreed to.

The CHAIRMAN. Is there no action to be taken on the first subject for discussion? If not, we will pass to the second: "Through routes and through rates. Combination rates on interstate traffic made by adding through interstate rates to rates prescribed by State authority for purely State traffic. Methods employed in making through rates generally." It is also a very interesting subject. It is now in order to present views on that subject.

Mr. FLORY. Mr. Chairman, in regard to through routes the Missouri commission has experienced trouble recently; at least have had a number of complaints, not over the railroads proper, but on shipments by express. The commission in Missouri have jurisdiction over express companies. In our State that is a question of greater importance up to date than the question of rates—I mean the circuitous route question. We had a case that came before us where a haul from a Missouri River point, destined to Marshall, Tex., had actually gone to New Orleans and returned to Marshall, and Marshall was within 100 miles of the half-way point. We had another case of the Poultry Breeders' Association where the freight could reach its destination by traveling 75 miles, which traveled 400 and was out twelve or fourteen hours longer than there was any necessity for. The reason, I suppose, is very plain to all of you; although the statute in our State is very clear, now and then some agent or somebody else will take advantage and route an article the longest route for the purpose of keeping it within the jurisdiction of the shipping company and getting all the revenue therefor that they can. But we find very little difficulty at the present time in straightening that out. The cases that have been before us have been numerous. It has only been recently that we have had jurisdiction over express companies, but a short time ago we summoned them all to

appear before us, and since then we find that it has been rectified. I would like to hear this subject thoroughly discussed to-day—the circuitous route question. It is something that the Missouri commission is very much interested in.

The CHAIRMAN. Is there anything further to be said on the subject?

Mr. WOODRUFF. The committee on organization and programme for the next annual convention beg leave to report at this stage of the proceedings, as officers for the next annual convention: Mr. Billings, of Michigan, chairman; Mr. Currie, of North Dakota, vice-chairman; Mr. Edward A. Moseley, secretary, and Mr. Martin S. Decker, assistant secretary.

The CHAIRMAN. The question is on the adoption of the report of the committee.

The report was adopted unanimously, and the gentlemen recommended elected as officers of the next convention.

The CHAIRMAN. Is there anything further on the subject of through routes and through rates? If not, we will pass to the third subject: "Government ownership, Government control, and Government regulation of railways."

Mr. WOODRUFF. That subject, Mr. Chairman, has been referred to a committee.

Mr. SHORTER. I would like to inquire when that committee is to report?

Mr. WOODRUFF. At the next convention.

The CHAIRMAN. The fourth subject, "Demurrage on railway cars and carriers' liability for the detention of freight." Is there anything to be said on that question or any resolution to be offered?

Mr. WOODRUFF. Mr. Chairman, I do not know that it is a matter of general interest, but the rule in our State is that no demurrage charge shall be made by railroad companies for a period of less than four days, to be computed from the time of the arrival of the freight; and no warehouse charges shall be made for a period of less than two days. There was an attempt made before the general assembly at the present session to have it changed, but at a hearing both parties agreed to withdraw their forces and allow it to stand as it is.

Mr. SEYMOUR. I think the period is ninety-six hours, instead of four days, so as to leave no uncertainty.

Mr. AINSWORTH. Would not four days tie up the rolling stock of the road for an unnecessary length of time?

Mr. WOODRUFF. That was the claim made by the railroad companies at the time, but so much feeling was shown that they thought they had better let it stand as it was. I think it has worked reasonably satisfactory. Perhaps Mr. Kochersperger could give us some information on the subject.

Mr. KOCHERSPERGER. I do not know anything more to say except that the railroad companies think ninety-six hours is a long time to let their cars stand, but I believe they deferred to the wishes of the public in the matter and allowed it to stand as it was.

Mr. AINSWORTH. What is charged after that time by your statute?

Mr. KOCHERSPERGER. One dollar a day. All the territory in New England is under the jurisdiction of the car-service association.

Mr. WOODRUFF. That charge is fixed by the association.

Mr. BULKLEY. I would also state for the information of the convention that, though the rate is uniform, the time for detention is different. In most of the States it is only forty-eight hours.

Mr. FLOBY. In our State we have demurrage charges approved by the board of railroad and warehouse commissioners. We have three pretty large cities in Missouri, and the question of demurrage has been somewhat of an annoyance to us. We tried a case a short time ago—in the neighborhood of a few days—and I believe that there was not a shipper present but who admitted on the stand that car-service charges were a benefit to the shipper, inasmuch as it released the cars and kept the cars in the service, but our trouble there was this: Men or shippers who own their own tracks thought there should be a distinction between a public and private track, that the charges should be less on a private track than on a public track. We have a uniform charge of \$1. Prior to the year 1894 the charge on private tracks was only 50 cents and on public tracks \$1. It was afterwards made a uniform charge on both private and public tracks. On grain they have twenty-four hours. On all other commodities, with the exception of soft coal, forty-eight hours, and on soft coal seventy-two hours; the time to commence at 7 a. m. after the car has been set on the unloading track. I would like to hear from the members here who have demurrage in their States. I would like to hear this question discussed a little.

Mr. AINSWORTH. Mr. Chairman, may I ask the gentleman some questions?

The CHAIRMAN. I do not believe there will be any objection.

Mr. AINSWORTH. You state that the time is to commence at 7 a. m. Suppose a car is placed in position at 8 o'clock in the morning?

Mr. FLOBY. It would get twenty-three hours more.

Mr. AINSWORTH. I also desire to inquire whether in your practice you find this question arising, Whether in endeavoring to collect the demurrage, which, in my judgment, is a very just charge, you find shippers asking a redemurrage—I do not know the exact name—or another charge?

Mr. FLOBY. We have never experienced that.

Mr. AINSWORTH. Suppose ten cars are ordered for stock on Monday, and the stock arrives at the yards, and the cars are not furnished until Wednesday morning—

Mr. FLOBY. We have not had such an instance.

Mr. AINSWORTH. And in the meantime there has been a drop in the stock on the market?

Mr. FLOBY. No, sir.

The CHAIRMAN. Is there anything else to be said on that question?

Mr. SEYMOUR. I beg leave to offer the following:

Resolved, That a committee of five be appointed to procure a concise report from the railroad commissioners of each State, to be presented in person by one of its members to the next annual convention, of the powers, duties, and actual work of each commission in their respective States during the previous year, with the results of such action.

I offer this resolution for the purpose of suggesting something that will contribute to the general interest and profit of these meetings. This resolution was suggested by a conversation which I had this morning with the commissioner from Michigan. He inquired just what we had been doing, how we did it, and what our powers and duties in regard to various things in our respective States were. Now, it occurs to me that that is just the information we want. Men can come here and give us information upon subjects in which they are personally engaged and interested, and we want to know how to perform the duties that they are engaged upon when we come back here, and it seems to me that it can be obtained in a practical way in this.

manner and that it would be a very useful thing to the convention. We know that when religious bodies, for instance, meet they report the condition existing among the various churches—just what they have done, what difficulties and obstacles they have experienced and how they have overcome them, and I think it would be very profitable for us to adopt some such plan. We would then know just what we are doing and would undoubtedly be benefited by the experience of other commissions.

Mr. FLORY. I move the adoption of the resolution.

The CHAIRMAN. You have heard the resolution of the gentleman from Connecticut. Is there anything further to be said?

The resolution was adopted.

The CHAIRMAN. The next subject is "Safety appliances and railway accidents." Is there anything to be said on that question?

Mr. HILL. I think a committee was appointed two years ago to report on that question.

Secretary MOSELEY. Mr. Chairman, I wish to call the attention of the convention to the fact that certain provisions of "the act to promote the safety of employees and travelers upon railroads"—the car-coupling act—enacted March 2, 1893, sections 4 and 5, go into effect on the 1st of July next. Section 4 relates to the matter of hand holds, requiring that freight cars engaged in interstate commerce shall be provided with hand holds or grab irons on the sides and ends of the car. Section 5 requires that all cars used in interstate traffic shall be of a standard height of drawbar, which has been fixed at $34\frac{1}{2}$ inches when the car is light, or $31\frac{1}{2}$ inches when loaded. The law makes it an offense for any common carrier to use or haul or permit to be hauled on its line any car not so equipped. As the 1st of July is drawing near I call this to the attention of the convention, particularly for the reason that former conventions took such active interest in the passage of this humane law.

The CHAIRMAN. Any remarks to be made or action to be taken on that subject? If not, we will pass on to the next subject. The next is "Protection of public interests during railway labor contests." That paper was referred to a committee, I believe.

Mr. WOODRUFF. That was referred to a committee.

The CHAIRMAN. The chair has not announced a committee, but the resolution was adopted.

Mr. WOODRUFF. I move that the subject be referred to a committee of five, to report to the next convention with such recommendation as they may think proper. I do not, however, wish to serve on that committee.

The CHAIRMAN. You have heard the motion of the gentleman from Connecticut, that this subject be referred to a committee to make report to the next convention.

The motion was agreed to.

The CHAIRMAN. The next subject is "Evils caused by sudden and arbitrary changes in railway rates." Any papers on that subject or any discussion desired?

There being none, the next subject is "Regulation of State and interstate electric railways." That has been disposed of.

The next subject is "Abuses arising from use of shippers' cars." Anything to be said on that subject?

Mr. WOODRUFF. That subject has been very fully discussed in previous conventions and it does not occur to me that anything further is necessary on the subject.

The CHAIRMAN. The next subject is "Interchangeable mileage books." That is not on the regular programme, and I do not know that there is anything desired to be said.

Mr. WOODRUFF. Perhaps the gentleman who suggested it will give us his ideas.

Mr. BILLINGS. The question is being discussed in our legislature this session of making such a law that railroads shall issue interchangeable mileage books. I do not know but that you are having the same question in your legislature. If so, I would like to hear what progress you have made. It has been decided in Massachusetts that you can not, in substance, make one person honor another's draft. You can not make one railroad company honor the ticket of another railroad. It is irresponsible financially. That bill has not yet passed. It has been recommended by the house committee and has been passed by the committee of the whole. It has been requested by commercial travelers, what we call drummers. They desire to have one book carry them over the entire State and not use so many books. We also have a law that one book shall be good for all the family. It does not include uncles and aunts, but all the immediate family. We have a statute pending touching that question. Our railroads have not obeyed it with the exception of one. That issues a mileage book for the whole family. Whether it is practical or whether it would be constitutional to force railroads to issue interchangeable mileage books is a very great question. I have my doubts about it, though I understand that in some States they have issued interchangeable mileage books by common consent with the railroads.

Mr. WOODRUFF. The only instance I know of is that referred to by Mr. Billings in Massachusetts, and probably the decision of the courts in that case has been accepted as conclusive throughout the East.

The CHAIRMAN. Is there anything further to be said on the subject? Any action to be taken? If not, that concludes the subjects for consideration, except the one on the causes of depressed financial condition of railways.

Secretary MOSELEY. The proceedings of yesterday were handed the members of the convention a short time ago. Of course the preparation of these proceedings was very hurried indeed, and therefore, necessarily, errors have crept in, and I would respectfully ask any of the gentlemen who may find errors in their names or in any of the printed matter, to kindly give notice so that the complete publication which will be issued will be as correct as may be.

The CHAIRMAN. On the subject of "Causes of depressed financial condition of railways," I desire to ask the convention to excuse me from the duty that was assigned in the programme. I did not have an opportunity in the short time allowed to prepare a written address on so great and important a subject, and one so comprehensive, as I have been quite unwell since I arrived here, too much so, indeed, to have done the work. The sudden change in the weather has rendered it impracticable for me to give any information to the convention or do justice to myself. I would hate to appear unwilling to do anything to promote the success of the convention or to add even my little mite on any important subject, but I do not think I could do justice to the convention or myself by discussing the subject in my present physical condition, without preparation. I am therefore compelled to ask to be excused, and as the hour of 1 o'clock has almost arrived I think it is a very appropriate hour to ask to be relieved.

Mr. Hill offered the following resolutions:

"Resolved, That the thanks of this convention are due, and are hereby tendered, the Hon. Allen Fort for the able, just, and courteous manner in which he has discharged the duties devolving upon him as chairman of this convention; also to Hon. A. K. Teisberg, vice-chairman."

The resolution was adopted.

"Resolved, That the thanks of this convention are due and are hereby extended to Mr. Moseley, secretary, and his assistants for the courtesies extended to the members of the convention and for the faithful and efficient discharge of the duties of their respective positions."

The resolution was adopted.

Mr. ADAMS. May I call the attention of the convention to the work of the accounting officers with regard to the classification of operating expenses? In explanation I will say that in the revised classification of operating expenses adopted at the previous meeting of this convention a great many questions have come up from the shippers and railroads and there has been a standing committee to which these questions have been referred. Nineteen of these questions have been answered, and it occurs to me that inasmuch as the classification itself rests upon the approval of this convention possibly these corrections of that classification might be inserted in the minutes of this convention. They have been printed in pamphlet form. If there is no objection I ask that the same be inserted as part of the minutes, after the report of the committee on railway statistics.

The CHAIRMAN. Is it desired to read these now, or merely print without reading, as a part of the proceedings?

Mr. ADAMS. I merely made that suggestion; I am not a member of the convention.

Mr. TEISBERG. I move that they be incorporated in the minutes of the convention without reading.

The CHAIRMAN. The gentleman from Minnesota requests that they be incorporated in the minutes of the convention without reading. What is the pleasure of the convention?

Mr. BULKLEY. Before that is inserted I desire to say that in my judgment the answer to the first case is not a correct answer. The question is: "To what account should the wages of engineers and firemen operating stationary engines in shops be charged?" The answer is: "This expense should be apportioned between the different maintenance of equipment accounts, on basis of relative amount of work done for the account of each," as provided for in the note at the bottom of page 17 of the new classification.

Now there are stationary engines and boilers in shops which have no connection with that class of work, and I do not believe that the answer to that question is a correct one. Strike out the words "maintenance of equipment," so that it would read the "different accounts;" then it would be correct in my judgment.

The CHAIRMAN. What is the motion?

Mr. BULKLEY. I move to amend case 1.

Mr. TEISBERG. I think that this is a matter that this convention has no jurisdiction over. I do not see how we can amend that in any way.

The CHAIRMAN. The question is upon the adoption of the motion.

The motion was adopted.

The CHAIRMAN. Now, is there anything except the appointment of committees?

Secretary MOSELEY. I move that the chairman be authorized to appoint the various committees that have not been filled, and any others which may appear to be desirable, after adjournment of the meeting.

The motion was agreed to.

Mr. TEISBERG. I wish to state that if there are any commissioners present who have control of express companies I would like to meet them in this room here after the convention adjourns, for a brief conference.

Mr. AINSWORTH. Mr. Seymour, of Connecticut, inquired a few moments ago on a subject which may possibly be of interest to some others present as to an examination and report on the amount of work, the duties, the powers, and the regulations of the commissions of the various States. A pamphlet has been published upon this subject by a Mr. Clark. Mr. Adams can give you the name.

Professor ADAMS. Mr. Curtis C. Clark. The title is State Railroad Commissions. It is published by The American Economic Association.

Mr. AINSWORTH. It is believed by the gentleman from Connecticut that Mr. Clark states in his pamphlet that the Iowa commission performed more work for less money than any commission in the United States, except the Interstate Commerce Commission.

Mr. SEYMOUR. Mr. Chairman, I want to correct what is perhaps a misapprehension. The resolution which I offered calling for a report at the next annual convention from the railroad commissions of each State as to what their respective powers and duties were and what the actual work in which they had been engaged during the previous year had been, was not merely to obtain information for myself personally, because I can sit down at home in my library and get the volume which Professor Adams has mentioned, and others of like character, and obtain that information very likely much better there; but it was for the purpose of making this convention more interesting; to call the members of the convention to their feet and open their mouths upon these very subjects in which they are interested in their respective States, so that we would have the benefit of their experience. Perhaps we want in our little State of Connecticut some addition to our powers which some other commission possesses and is exercising for the benefit of its people and its communities, and if so we want to know that fact, and go back home and report to our legislature that our duty should be enlarged; perhaps we are groping in the dark, or do not comprehend this railroad problem and ought to be doing something that we are not now accomplishing. This information will enlarge the horizon of our experience and send us back to our homes with such a comprehension of the subject that we shall be better qualified for the discharge of the duties which our respective States require of us. That was the object of that resolution, simply and solely to contribute to the profit and interest of these annual meetings.

These meetings become merely a monotonous affair, with an able paper, which has been prepared with a great deal of study and careful thought and an expenditure of a great deal of time, being read in our hearing, while we are all in a very devout attitude with bowed heads, listening very reverently, and it is received in perfect silence, no one having a word to say about it. That is not the way. These papers ought to be subjects of thought and consideration, and should enable us to have a larger and more comprehensive view and understanding of our duties. Pray excuse me for occupying so much of your time.

The CHAIRMAN. Is there anything further to be said upon this subject, or is there any other business to be brought before the convention?

Secretary MOSELEY. We are nearing the adjournment of the convention, and therefore I desire, by direction of the Interstate Commerce Commission, to extend a hearty welcome to all the gentlemen who are present, and to state that the rooms of the Commission are at their service. We have a very good library, and of course that and everything we have is at your service; and if any gentleman wishes to know anything in regard to Washington or desires to go to any locality we will take the greatest of pleasure in seeing that he gets there. [Applause.]

The CHAIRMAN. I suppose we might extend the thanks of the convention to the Interstate Commerce Commission for its courtesy and accommodation.

Mr. WOODEUFF. We might take that for granted. Those of us who have been here before know what that is; we are always the recipients of their kind attention.

The CHAIRMAN. A motion to adjourn is in order.

On motion, the convention adjourned sine die.

APPENDIX A.

Explanatory note: The page forms contained in this appendix are copies of certain pages from the Annual-Report Form of the Ohio State Commission, and similar to corresponding pages of the Annual-Report Form prescribed by the Interstate Commerce Commission.

The notes refer to the printed tables in the "Ohio Railway Report" for 1894, and show from what pages of the Annual-Report Form they were compiled.

REPORT FORM OF OHIO STATE COMMISSION.

Property operated—State of Ohio. (For roads making operating reports.)

[Name of every railroad the operations of which are included in the income account (page 31, Table I).]

In giving roads below, observe the following classification and order:

- | | |
|---|--|
| <p>1. Railroad line represented by capital stock:</p> <p style="margin-left: 20px;">(A) Main line.</p> <p style="margin-left: 20px;">(B) Branches and spurs. [See "Instructions," page 8.]</p> <p>2. Proprietary companies whose entire capital stock is owned by this company.</p> | <p>3. Line operated under lease for specified sum.</p> <p>4. Line operated under contract, or where the rent is contingent upon earnings or other considerations.</p> <p>5. Line operated under trackage rights.</p> |
|---|--|

Name.	Terminals.		Miles of line for each road named.	Miles of line for each class of roads named.
	From—	To—		
Total				

Table A embraces all of that line of railroad operated.

MILEAGE.

A.—*Mileage of road operated (all tracks).*

Line in use.	Line represented by capital stock.		Line of proprietary companies.	Line operated under lease.	Line operated under contract, etc.	Line operated under trackage rights.	Total mileage operated.	New line constructed during year.	Rails.	
	Main line.	Branches and spurs.							Iron.	Steel.
Miles of single track										
Miles of second track										
Miles of third track										
Miles of fourth track										
Miles of yard track and sidings										
Total mileage operated (all tracks)										

Table Aa is a condensed statement of Table A, with addition of new line.

B.—*Mileage of line operated, by States and Territories (single track).*

State or Territory.	Line represented by capital stock.		Line of proprietary companies.	Line operated under lease.	Line operated under contract, etc.	Line operated under trackage rights.	Total mileage operated.	New line constructed during year.	Rails.	
	Main line.	Branches and spurs.							Iron.	Steel.
Total mileage operated (single track)										

Table Ab (from Table Aa) represents mileage on capital stock, trackage rights eliminated.

C.—*Mileage of line owned, by States and Territories (single track).*

State or Territory.	Line represented by capital stock.		Total mileage owned.	New line constructed during year.	Rails.		Remarks.
	Main line.	Branches and spurs.			Iron.	Steel.	
Total mileage owned (single track)							

Table Ac (from Table Aa), descriptive statement of miles operated.

MILEAGE—STATE OF OHIO.

A.—*Mileage of road operated (all tracks).*

Line in use.	Line represented by capital stock.		Line of proprietary companies.	Line operated under lease.	Line operated under contract, etc.	Line operated under trackage rights.	Total mileage operated.	New line constructed during year.	Rails.	
	Main line.	Branches and spurs.							Iron.	Steel.
Miles of single track										
Miles of second track										
Miles of third track										
Miles of fourth track										
Miles of yard track and sidings										
Total mileage operated (all tracks)										

Tables Aa, Ab, and Ac.

Capital stock.

Description.	Number of shares authorized.	Par value of shares.	Total par value authorized.	Total amount issued and outstanding.	Dividends declared during year.	
					Rate.	Amount.
Capital stock.....Common...						
Preferred..						
Total						

Table B, number of shares. Amount outstanding with dividends declared.

FUNDED DEBT.

Mortgage bonds, miscellaneous obligations, and income bonds.

Class of bond or obligation.	Time.		Amount of authorized issue.	Amount issued.	Amount outstanding.	Cash realized on amount issued.	Interest.			
	Date of issue.	When due.					Rate.	When payable.	Amount accrued during year.	Amount paid during year.
Total:										
Mortgage bonds.....										
Miscellaneous obligations.....										
Income bonds.....										
Grand total.....										

Table C, classification time, amount outstanding, and interest.

B.—For mileage operated by road making this report (trackage rights excluded), the operations of which are included in the income account (page 31, Table I).

Name of road.	Capital stock.	Funded debt.	Current liabilities. (See "Instructions," page 24.)	Total.	Amount per mile of line.	
					Miles.	Amount.
Total carried forward.....						

Table D, entire, as per subheadings.

CONVENTION OF RAILROAD COMMISSIONERS.

Cost of road, equipment, and permanent improvements.

Item.	Expenditures during year.			Total cost to June 30, 1893.	Total cost to June 30, 1894.	Cost per mile.
	Included in operating expenses.	Not included in operating expenses.				
		Charged to income account as permanent improvements.	Charged to construction or equipment.			
Construction:						
Right of way.....						
Other real estate.....						
Fences.....						
Grading and bridge and culvert masonry.....						
Bridges and trestles.....						
Rails.....						
Ties.....						
Other superstructure.....						
Buildings, furniture, and fixtures.....						
Shop machinery and tools.....						
Engineering expenses.....						
Interest during construction.....						
Discount on securities sold for construction.....						
Telegraph line.....						
Wharfing, etc.....						
Slidings and yard extensions.....						
Terminal facilities and elevators.....						
Road built by contract.....						
Purchase of constructed road.....						
Other items.....						
Total construction.....						
Equipment:						
Locomotives.....						
Passenger cars.....						
Sleeping, parlor, and dining cars.....						
Baggage, express, and postal cars.....						
Combination cars.....						
Freight cars.....						
Other cars of all classes.....						
Floating equipment.....						
Total equipment.....						
Grand total cost construction, equipment, etc.....						
Total cost construction, equipment, etc., State of Ohio.....						

Table E, composed of totals for construction and equipment.

REPORT FORM OF OHIO STATE COMMISSION.

61

Earnings from operation—State of Ohio.

Item.	Total receipts.	Deductions account of repayments, etc.	Actual earnings.
Passenger:			
Passenger revenue			
Less repayments:			
Tickets redeemed			
Excess fares refunded			
Other repayments			
Total deductions			
Total passenger revenue			
Mail			
Express			
Extra baggage and storage			
Receipts from parlor, dining, and sleeping cars			
Other items			
Total passenger earnings			
Freight:			
Freight revenue			
Less repayments:			
Overcharge to shippers			
Other repayments			
Total deductions			
Total freight revenue			
Stock yards			
Elevators			
Other items			
Total freight earnings			
Total passenger and freight earnings			
Other earnings from operation:			
Car mileage—balance			
Switching charges—balance			
Telegraph companies			
Rents from tracks, yards, and terminals (page 41)			
Rents not otherwise provided for			
Other sources			
Total other earnings			
Total gross earnings from operation—Ohio			
Total gross earnings from operation—entire line			

Table F, composed of total passenger revenue and extra accounts.

Table G, freight and additional charges.

Operating expenses.

Item.	Amount.
Maintenance of way and structures:	
1. Repairs of roadway.....	
2. Renewals of rails.....	
3. Renewals of ties.....	
4. Repairs of bridges and culverts.....	
5. Repairs of fences, road crossings, signs, and cattle guards.....	
6. Repairs of buildings.....	
7. Repairs of docks and wharves.....	
8. Repairs of telegraph.....	
9. Other expenses.....	
Total.....	
Maintenance of equipment:	
10. Repairs and renewals of locomotives.....	
11. Repairs and renewals of passenger cars.....	
12. Repairs and renewals of freight cars.....	
13. Repairs and renewals of ferryboats, tugs, floats, and barges.....	
14. Shop machinery, tools, etc.....	
15. Other expenses.....	
Total.....	
Conducting transportation:	
16. Wages of enginemen, firemen, and roundhouse men.....	
17. Fuel for locomotives.....	
18. Water supply for locomotives.....	
19. All other supplies for locomotives.....	
20. Wages of other train men.....	
21. All other train supplies.....	
22. Wages of switchmen, flagmen, and watchmen.....	
23. Expense of telegraph, including train dispatchers and operators.....	
24. Wages of station agents, clerks, and laborers.....	
25. Station supplies.....	
26. Switching charges—balance.....	
27. Car mileage—balance.....	
28. Loss and damage.....	
29. Injuries to persons.....	
30. Barges, floats, tugs, ferryboats, expenses of, including wages, fuel, and supplies.....	
31. Other expenses.....	
Total.....	
General expenses:	
32. Salaries of officers.....	
33. Salaries of clerks.....	
34. General office expenses and supplies.....	
35. Agencies, including salaries and rent.....	
36. Advertising.....	
37. Commissions.....	
38. Insurance.....	
39. Expense of fast freight lines.....	
40. Expense of traffic associations.....	
41. Expense of stock yards and elevators.....	
42. Rents for tracks, yards, and terminals (page 47, B).....	
43. Rents not otherwise provided for.....	
44. Legal expenses.....	
45. Stationery and printing.....	
46. Other general expenses.....	
Total.....	
Recapitulation of expenses:	
47. Maintenance of way and structures.....	
48. Maintenance of equipment.....	
49. Conducting transportation.....	
50. General expenses.....	
Grand total.....	
Percentage of expenses to earnings—entire line.....	
Operating expenses—State of Ohio.....	
Maintenance of way and structures.....	
Maintenance of equipment.....	
Conducting transportation.....	
General expenses.....	
Total.....	
Percentage of expenses to earnings—Ohio.....	

Table H, recapitulation of the various departments.

Income account.

[For roads making operating reports.]

Gross earnings from operation (page 35)		
Less operating expenses (page 45)		
Income from operation		
Deficit		
Dividends on stocks owned (page 37)		
Interest on bonds owned (page 39)		
Miscellaneous income, less expenses (page 41)		
Income from other sources		
Total income		
Deficit		
Deductions from income:		
Interest on funded debt accrued (page 23)		
Interest on interest-bearing current liabilities accrued, not otherwise provided for		
Rents paid for lease of road (page 47, A)		
Taxes		
Permanent improvements (page 29)		
Other deductions		
Total deductions from income		
Net income		
Deficit		
Dividends, — per cent, common stock (page 17)		
Dividends, — per cent, preferred stock (page 17)		
Other payments from net income		
Total		
Surplus from operations of year ending June 30, 1894		
Deficit from operations of year ending June 30, 1894		
Surplus on June 30, 1893 (from "General balance sheet," 1893 report)		
Deficit on June 30, 1893 (from "General balance sheet," 1893 report)		
Additions for year		
Deductions for year		
Surplus on June 30, 1894 (for entry on "General balance sheet," page 51)		
Deficit on June 30, 1894 (for entry on "General balance sheet," page 49)		

Table I, income account, rents, and dividends.

Table Y, taxes.

Employees and salaries—State of Ohio.

Class.	Number.	Total number of days worked.	Total yearly compensation.	Average daily compensation.
General officers.....				
Other officers.....				
General office clerks.....				
Other employees:				
Station agents.....				
Other station men.....				
Enginemen.....				
Firemen.....				
Conductors.....				
Other train men.....				
Machinists.....				
Carpenters.....				
Other shopmen.....				
Section foremen.....				
Other trackmen.....				
Switchmen, flagmen, and watchmen.....				
Telegraph operators and dispatchers.....				
Employees—account floating equipment.....				
All other employees and laborers.....				
 Total (including "General officers")—Ohio.....				
Less "General officers".....				
 Total (excluding "General officers"—Ohio.....				
Distribution of above:				
General administration.....				
Maintenance of way and structures.....				
Maintenance of equipment.....				
Conducting transportation.....				
 Total (including "General officers")—Ohio.....				
Less "General officers".....				
 Total (excluding "General officers")—Ohio.....				
Total (including "General officers")—entire line.				

Table J, employees and salaries.

Table K, distribution of employees.

Passenger and freight, and train mileage—State of Ohio.

Item.	Column for tonnage, number passengers, number trains, mileage, number cars.	Columns for revenue and rates.		
		Dollars.	Cts.	Mills.
Passenger traffic:				
Number of passengers carried earning revenue				
Number of passengers carried 1 mile				
Number of passengers carried 1 mile per mile of road				
Average distance carried				
Total passenger revenue (page 35)				
Average amount received from each passenger				
Average receipts per passenger per mile				
Total passenger earnings (page 35)				
Passenger earnings per mile of road				
Passenger earnings per train mile				
Freight traffic:				
Number of tons carried of freight earning revenue (page 65)				
Number of tons carried 1 mile				
Number of tons carried 1 mile per mile of road				
Average distance haul of 1 ton				
Total freight revenue (page 35)				
Average amount received for each ton of freight				
Average receipts per ton per mile				
Total freight earnings (page 35)				
Freight earnings per mile of road				
Freight earnings per train mile				
Passenger and freight:				
Passenger and freight revenue (page 35)				
Passenger and freight revenue per mile of road				
Passenger and freight earnings (page 35)				
Passenger and freight earnings per mile of road				
Gross earnings from operation (page 35)				
Gross earnings from operation per mile of road				
Gross earnings from operation per train mile				
Operating expenses (page 45)				
Operating expenses per mile of road				
Operating expenses per train mile				
Income from operation (page 31)				
Income from operation per mile of road				
Train mileage:				
Miles run by passenger trains				
Miles run by freight trains				
Miles run by mixed trains				
Total mileage trains earning revenue				
Miles run by switching trains				
Miles run by construction and other trains				
Grand total train mileage				
Mileage of loaded freight cars—north or east				
Mileage of loaded freight cars—south or west				
Mileage of empty freight cars—north or east				
Mileage of empty freight cars—south or west				
Average number of freight cars in train				
Average number of loaded cars in train				
Average number of empty cars in train				
Average number of tons of freight in train				
Average number of tons of freight in each loaded car				

Table L.

Table M.

Table N, combination of L and M.

Table O.

Freight traffic movement—State of Ohio.

[Company's material excluded.]

Commodity.	Freight orig- inating on this road. Whole tons.	Freight received from connect- ing roads and other car- riers. Whole tons.	Total freight tonnage.	
			Whole tons.	Per cent.
Products of agriculture.	Grain			
	Flour			
	Other mill products			
	Hay			
	Tobacco			
	Cotton			
	Fruit and vegetables			
Products of animals.	Live stock			
	Dressed meats			
	Other packing-house products			
	Poultry, game, and fish			
	Wool			
	Hides and leather			
Products of mines.	Anthracite coal			
	Bituminous coal			
	Coke			
	Ores			
	Stone, sand, and other like articles			
Products of forest.	Lumber			
Manufac- tures.	Petroleum and other oils			
	Sugar			
	Naval stores			
	Iron, pig and bloom			
	Iron and steel rails			
	Other castings and machinery			
	Bar and sheet metal			
	Cement, brick, and lime			
	Agricultural implements			
	Wagons, carriages, tools, etc			
Merchandise	Wines, liquors, and beers			
	Household goods and furniture			
Miscellaneous: Other commodities not men- tioned above				
Total tonnage—Ohio				
Total tonnage—entire line				

Table P.

Description of equipment.

Item.	Number added during year.	Total number at end of year.	Equipment fitted with train brake.		Equipment fitted with automatic coupler.	
			Number.	Name.	Number.	Name.
Locomotives—owned and leased:						
Passenger						
Freight						
Switching						
Total locomotives in service						
Less locomotives leased (see "instructions," page 64)						
Total locomotives owned						
Cars—owned and leased:						
In passenger service—						
First-class cars						
Second-class cars						
Combination cars						
Emigrant cars						
Dining cars						
Parlor cars						
Sleeping cars						
Baggage, express, and postal cars						
Other cars in passenger service						
Total						
In freight service—						
Box cars						
Flat cars						
Stock cars						
Coal cars						
Tank cars						
Refrigerator cars						
Other cars in freight service						
Total						
In company's service—						
Officers' and pay cars						
Gravel cars						
Derrick cars						
Caboose cars						
Other road cars						
Total cars in service						
Less cars leased (see "instructions," page 64)						
Total cars owned						
Cars contributed to fast freight line service						

Table Q, description of equipment.

Table R, brakes and couplers.

CONVENTION OF RAILROAD COMMISSIONERS.

Accidents to persons—State of Ohio.

Kind of accident.	Employees.							
	Trainmen.		Switchmen, flagmen, and watchmen.		Other employees.		Total.	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
Coupling and uncoupling.								
Falling from trains and engines.								
Overhead obstructions.								
Collisions.								
Derailments.								
Other train accidents (describe briefly on page 72).								
At highway crossings.								
At stations.								
Other causes (describe briefly on page 72).								
Total.								

Kind of accident.	Others.							
	Passengers.		Trespassing.		Not trespassing.		Total. [See instructions, page 72.]	
	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.	Killed.	Injured.
Collisions.								
Derailments.								
Other train accidents (describe briefly on page 72).								
At highway crossings.								
At stations.								
Other causes (describe briefly on page 72).								
Total.								

Table S, reports of accidents.

Characteristics of road—State of Ohio.

Working divisions or branches.			Alignment.				Profile.					
From—	To—	Miles.	Number of curves.	Aggregate length of curved line.	Length of straight line.	Length of level line.	Ascending grades.			Descending grades.		
							Number.	Sum of ascents.	Aggregate length of ascending grades.	Number.	Sum of descents.	Aggregate length of descending grades.
				Miles.	Miles.	Miles.		Feet.	Miles.		Feet.	Miles.
Total.												

Table T.

Characteristics of road—Continued.—State of Ohio.

BRIDGES, TRESTLES, TUNNELS, ETC.

Item.	Num-ber.	Aggre-gate length.		Minimum length.		Maxi-mum length.		Item.	Num-ber.	Height of lowest above surface of rail.	
		Feet.	In.	Feet.	In.	Feet.	In.			Feet.	In.
Bridges:								Overhead highway crossings:			
Stone								Bridges			
Iron								Conduits			
Wooden								Trestles			
Combination								Total			
Trestles								Overhead railway crossings:			
Tunnels								Bridges			
								Conduits			
								Trestles			
								Total			
								Tunnels			

Gauge of track, — feet, — inches. ————— miles.

Do. — feet, — inches. ————— [Miles. [Hundredths.] miles.

Table V. ————— [Miles.] [Hundredths.]

Consumption of fuel by locomotives—State of Ohio.

Locomotives.	Coal (tons).		Wood (cords).		Total fuel consumed (tons).	Miles run.	Average pounds consumed per mile.
	Anthracite.	Bitumi-nous.	Hard.	Soft.			
Passenger							
Freight							
Switching							
Construction							
Total							
Average cost at dis-tributing point							

Table W, fuel consumed.

APPENDIX B.

LIST OF STATE RAILROAD COMMISSIONS, SHOW-
ING OFFICIAL TITLES AND ADDRESSES AND
NAMES AND ADDRESSES OF MEM-
BERS AND SECRETARIES.

LIST OF STATE RAILROAD COMMISSIONS,

SHOWING

OFFICIAL TITLES AND ADDRESSES, AND NAMES AND ADDRESSES OF
MEMBERS AND SECRETARIES.

ALABAMA RAILROAD COMMISSION.

MONTGOMERY, ALA.

H. R. SHORTER, *Chairman*.....Eufaula, Ala.
HARVEY E. JONES.....Mobile, Ala.
ROSS C. SMITH.....Birmingham, Ala.
CHARLES P. JACKSON, *Secretary*.....Montgomery, Ala.

ARKANSAS—BOARD OF RAILROAD COMMISSIONERS.

LITTLE ROCK, ARK.

JAMES P. CLARK (Governor), *Chairman*.....Little Rock, Ark.
H. B. ARMISTEAD (Secretary of State), *Secretary*....Little Rock, Ark.
C. B. MILLS, *Auditor*.....Little Rock, Ark.

CALIFORNIA—STATE BOARD OF RAILROAD COMMISSIONERS.

SAN FRANCISCO, CAL.

H. M. LARUE, *Chairman*.....Sacramento, Cal.
DR. JAS. I. STANTON.....San Francisco, Cal.
WM. R. CLARK.....Stockton, Cal.
SAMUEL NEWMAN, *Secretary*.....San Francisco, Cal.

BOARD OF RAILROAD COMMISSIONERS FOR THE STATE OF CONNECTICUT.

HARTFORD, CONN.

GEO. M. WOODRUFF, *Chairman*.....Litchfield, Conn.
WM. O. SEYMOUR.....Ridgefield, Conn.
ALEX. C. ROBERTSON.....Montville, Conn.
HENRY F. BILLINGS, *Secretary*.....Hartford, Conn.

COLORADO RAILROAD COMMISSION.

DENVER, COLO.

WILLIAM A. HAMILL.....Denver, Colo.
H. C. HAMILL, *Secretary*.....Denver, Colo.

RAILROAD COMMISSION OF THE STATE OF GEORGIA.

ATLANTA, GA.

L. M. TRAMMELL, *Chairman*.....Marietta, Ga.
ALLEN FORT.....Americus, Ga.
G. GUNBY JORDAN.....Columbus, Ga.
A. C. BRISCOE, *Secretary*.....Atlanta, Ga.

CONVENTION OF RAILROAD COMMISSIONERS.

ILLINOIS RAILROAD AND WAREHOUSE COMMISSION.

SPRINGFIELD, ILL.

WM. S. CANTRELL, *Chairman* Benton, Ill.
 C. F. LAPE Springfield, Ill.
 THOS. GAHAN Chicago, Ill.
 J. W. YANTIS, *Secretary* Shelbyville, Ill.

IOWA—BOARD OF RAILROAD COMMISSIONERS.

DES MOINES, IOWA.

JOHN W. LUKE, *Chairman* Hampton, Iowa.
 C. L. DAVIDSON Hull, Iowa.
 GEORGE W. PERKINS Farragut, Iowa.
 W. W. AINSWORTH, *Secretary* Des Moines, Iowa.

KANSAS—BOARD OF RAILROAD COMMISSIONERS.

TOPEKA, KANSAS.

SAML. T. HOWE, *Chairman* Topeka, Kans.
 J. M. SIMPSON McPherson, Kans.
 JOSEPH G. LOWE Washington, Kans.
 SAML. T. HOWE Topeka, Kans.
 B. F. FLENNIKEN, *Secretary* Topeka, Kans.

RAILROAD COMMISSION OF KENTUCKY.

FRANKFORT, KY.

C. C. MCCORD, *Chairman* Springfield, Ky.
 UREY WOODSON Owensboro, Ky.
 CHAS. B. POYNTZ Maysville, Ky.
 D. C. HARDIN, *Secretary* Frankfort, Ky.

MAINE—RAILROAD COMMISSIONERS.

AUGUSTA, ME.

J. B. PEAKS, *Chairman* Dover, Me.
 BENJ. F. CHADBOURNE Biddeford, Me.
 FREDERIC DANFORTH Gardiner, Me.
 E. C. FARRINGTON, *Secretary* Augusta, Me.

BOARD OF RAILROAD COMMISSIONERS OF MASSACHUSETTS.

20 BEACON STREET, BOSTON, MASS.

JOHN E. SANFORD, *Chairman* Taunton, Mass.
 EVERETT A. STEVENS Boston, Mass.
 WILLIAM J. DALE, JR. North Andover, Mass.
 WILLIAM A. CRAFTS, *Secretary* 20 Beacon street, Boston, Mass.

MICHIGAN—COMMISSIONER OF RAILROADS.

LANSING, MICH.

SIMEON R. BILLINGS, *Commissioner of Railroads* Lansing, Mich.
 EDWARD A. RUNDELL, *Deputy Commissioner of Railroads* Lansing, Mich.
 ELLIOTT F. MOORE, *Mechanical Engineer* Lansing, Mich.

MINNESOTA—RAILROAD AND WAREHOUSE COMMISSION.

ST. PAUL, MINN.

W. M. LIGGETT, *Chairman* St. Paul, Minn.
 GEORGE L. BECKER St. Paul, Minn.
 IRA B. MILLS St. Paul, Minn.
 A. K. TEISBERG, *Secretary* St. Paul, Minn.

LIST OF STATE RAILROAD COMMISSIONS.

75

THE MISSISSIPPI RAILROAD COMMISSION.

JACKSON, MISS.

J. F. SESSIONS, *President* Brookhaven, Miss.
 J. H. ASKEW Sessumsville, Miss.
 WALTER MCLAURIN Vicksburg, Miss.
 S. L. MCLAURIN, *Secretary* Jackson, Miss.

MISSOURI—RAILROAD AND WAREHOUSE COMMISSION.

JEFFERSON CITY, MO.

H. W. HICKMAN, *Chairman* Jefferson City, Mo.
 JAMES COWGILL Jefferson City, Mo.
 JOSEPH FLORY Jefferson City, Mo.
 JAMES HARDING, *Secretary* Jefferson City, Mo.

STATE BOARD OF TRANSPORTATION OF NEBRASKA.

LINCOLN, NEBR.

Hon. J. C. ALLEN, (Secretary of State) *Chairman*... Lincoln, Nebr.
 Hon. A. R. HUMPHREY Lincoln, Nebr.
 Hon. GEORGE HASTINGS Lincoln, Nebr.
 Hon. EUGENE MOORE Lincoln, Nebr.
 Hon. JOSEPH C. BARTLEY Lincoln, Nebr.
 W. A. DILWORTH, }
 J. N. KOONTZ, } *Secretaries* Lincoln, Nebr.
 J. W. JOHNSON, }

BOARD OF RAILROAD COMMISSIONERS FOR THE STATE OF NEW HAMPSHIRE.

CONCORD, N. H.

HENRY M. PUTNEY, *Chairman* Manchester, N. H.
 JOSIAH G. BELLOWS, *Clerk* Walpole, N. H.
 EDWARD B. S. SANBORN Franklin Falls, N. H.

NEW YORK STATE BOARD OF RAILROAD COMMISSIONERS.

ALBANY, N. Y.

SAMUEL A. BEARDSLEY, *Chairman* Utica, N. Y.
 MICHAEL RICKARD Albany, N. Y.
 ALFRED C. CHAPIN 192 Broadway, New York, N. Y.
 CHARLES R. DEFREEST, *Secretary* Albany, N. Y.

NORTH CAROLINA—BOARD OF RAILROAD COMMISSIONERS.

RALEIGH, N. C.

J. W. WILSON, *Chairman* Morganton, N. C.
 E. C. BEDDINGFIELD Raleigh, N. C.
 S. OTHO WILSON Raleigh, N. C.
 H. C. BROWN, *Secretary* Raleigh, N. C.

NORTH DAKOTA—COMMISSIONERS OF RAILROADS.

BISMARCK, N. DAK.

JOHN W. CURRIE, *Chairman* Dickinson, N. Dak.
 GEO. H. KEYES Ellendale, N. Dak.
 JOHN J. WAMBERG Hope, N. Dak.
 J. E. PHELAN, *Secretary* Fargo, N. Dak.

OHIO—COMMISSIONER OF RAILROADS AND TELEGRAPHS.

COLUMBUS, OHIO.

WM. KIRKBY, *Commissioner* Columbus, Ohio.
 WM. B. GAITREE, *Chief Clerk* Columbus, Ohio.
 CHARLES MOORE, *Statistician* Columbus, Ohio.
 GEO. B. WRIGHT, *Clerk* Columbus, Ohio.
 JAMES McMILLAN, *Inspector* Columbus, Ohio.
 J. H. WEIRICK, *Secretary* Columbus, Ohio.

CONVENTION OF RAILROAD COMMISSIONERS.

OREGON—BOARD OF RAILROAD COMMISSIONERS

SALEM, OREG.—BRANCH OFFICE, PORTLAND, OREG.

I. A. MACRUM, *Chairman* Portland, Oreg.
 JAMES B. EDDY Pendleton, Oreg.
 J. B. COMSON Klamath Falls, Oreg.
 LYDELL BAKER, *Secretary* Portland, Oreg.

PENNSYLVANIA—DEPARTMENT OF INTERNAL AFFAIRS.

HARRISBURG, PA.

ISAAC B. BROWN, *Secretary Internal Affairs* Harrisburg, Pa.
 T. LAWRENCE EYRE, *Deputy Secretary Internal Affairs* Harrisburg, Pa.

RHODE ISLAND—RAILROAD COMMISSIONER.

EDWARD L. FREEMAN Providence, R. I.

SOUTH CAROLINA RAILROAD COMMISSIONERS.

COLUMBIA, S. C.

W. D. EVANS, *Chairman* Bennettsville, S. C.
 H. R. THOMAS Wedgefield, S. C.
 J. C. WILBORN Old Point, S. C.
 D'ARCY P. DUNCAN, *Secretary* Columbia, S. C.

SOUTH DAKOTA—RAILROAD COMMISSION.

WATERTOWN, S. DAK.

E. F. CONKLIN, *Chairman* Clark, S. Dak.
 H. C. WARNER Forestburg, S. Dak.
 J. R. BRENNEN Rapid City, S. Dak.
 CARL JOHNSON, *Secretary* Watertown, S. Dak.

RAILROAD COMMISSION OF TEXAS.

AUSTIN, TEX.

JOHN H. REAGAN, *Chairman* Austin, Tex.
 L. L. FOSTER Austin, Tex.
 L. J. STOREY Austin, Tex.
 J. J. ARTHUR, *Secretary* Austin, Tex.

VERMONT STATE BOARD OF RAILROAD COMMISSIONERS.

MONTPELIER, VT.

OLIN MERRILL, *Chairman* Enosburg Falls, Vt.
 O. M. BARBER Arlington, Vt.
 C. J. BELL East Hardwick, Vt.
 FULLER C. SMITH, *Secretary* St. Albans, Vt.

VIRGINIA RAILROAD COMMISSION.

RICHMOND, VA.

JAMES C. HILL, *Chairman* Richmond, Va.
 E. G. AKERS, *Secretary* Richmond, Va.

WISCONSIN—STATE RAILROAD COMMISSIONER.

MADISON, WIS.

D. J. MCKENZIE, *Commissioner* Madison, Wis.
 JERRE C. MURPHY, *Secretary* Madison, Wis.

ASSOCIATION OF AMERICAN RAILWAY ACCOUNTING OFFICERS. 77

ASSOCIATION OF AMERICAN RAILWAY ACCOUNTING OFFICERS.

OFFICERS.

C. I. STURGIS, president, Chicago, Burlington and Quincy Railroad.
ERASTUS YOUNG, first vice-president, Union Pacific Railway.
E. S. THOMAS, second vice-president, Baltimore and Ohio Southwestern Railway.
C. G. PHILLIPS, secretary and treasurer, 134 Van Buren street, Chicago, Ill.

EXECUTIVE COMMITTEE.

Term expires 1895.

H. M. KOCHERSPERGER, New Haven,
Conn.
W. K. GILLET, Chicago, Ill.
L. A. ROBINSON, St. Paul, Minn.
W. N. D. WINNE, Chicago, Ill.

Term expires 1896.

C. T. MOREL, Savannah, Ga.
S. C. JOHNSON, St. Louis, Mo.
P. A. HEWITT, Cincinnati, Ohio.
J. W. COXE, Roanoke, Va.

	Page.
Overcharges and undercharges, discussion of	42-47
Peabody, James, paper of	27-33
Press, representatives of the	5
Powers, duties, and actual work of State railroad commissions	49-53
Proceedings of convention:	
First day	1-36
Second day	36-67
Protection of public interests during railway labor contests, paper of James Peabody on	27-33
Railways, Government ownership, control, and regulation of	34-36
Railway statistics:	
Reports of committee on	
1. Classification of freight earnings	11
2. Separation of statistics according to State lines	12
3. Uniform compilation of reports	16
Consideration of	38
Rates:	
Combination	47
Methods employed in making through	47
Through routes and through	47
Regulation of State and interstate electric railways—paper of George M. Woodruff	25
Report form, Ohio State railroad commission	55
Report of committees:	
Programme and order of business	9
Railway statistics relative to the classification of freight revenue	11
Separation of statistics of operation according to State lines	12
Compilation of railway statistics	16
Uniform classification of freights	39-41
Organization and programme for next convention	48
Resolutions:	
Railway statistics	13, 14, 38
Next convention, to appoint committee to select subjects for	24
Government ownership of railroads	34
Committee appointed to report on	38
Regulation of State and interstate electric railways	
Committee appointed to report on	36
Time and place of holding next convention	36
Chairman empowered to fill vacancies occurring during the year	37
Power, duties and actual work of State commissions	
Committee appointed to report on	49
Of thanks	52
Uniform classification	41
Safety appliances, remarks on	50
State railroad commissions, list of, etc.	77
Teisberg, A. K., report on railway statistics	12
Thanks, resolutions of	52
Through routes and through rates	47
Uniform classification of freights:	
Remarks on	24, 41
Committee on, report of	39
Motion to increase membership of committee on	47
Woodruff, George M., paper of	25

